

THE Hongkong Weekly Press

AND

China Overland Trade Report.

Vol. LXX.]

HONGKONG, MONDAY, 16TH AUGUST, 1909.

No. 7

CONTENTS.

	PAGE
Far Eastern News.....	129
Leading Articles:—	
The French Navy	130
The Antung-Mukden Railway Question	131
Boycotts and Blackmail	131
"Chinesery"	132
Russia as Peacemaker Between China and Japan	132
Decline of British Influence in China	133
The House of Lords and the Budget	134
Random Reflections	134
Hongkong News	135
Hongkong Legislative Council	136
Hongkong General Chamber of Commerce	138
The Largest Motor Launch in the East	139
Captain of s.s. "Persia" Fined	139
Charges Against Ship's Officers.....	140
The Scotch Oath	141
Robbery in Chancery Lane.....	141
Charge Against a Soldier	141
Steamer Captain Cautioned.....	141
Searching a Steamer	141
Death of Mr. Erich Georg	141
Supreme Court	142
Company Meeting:—	
The Hongkong, Canton and Macao Steamboat Company, Limited.....	146
Company Reports:—	
Hongkong and Shanghai Banking Corporation	146
Hongkong and Whampoa Dock Co., Ltd.....	147
Darker China Teas	147
Boycotting the Portuguese	147
Hongkong University Fund	147
Canton News	148
The Opium Traffic.....	148
Shipping Notes	148
The Osaka Fire	148
The Antung-Mukden Railway	149
Canton-Hankow Railway	149
A Rich Silver Mine in Kwangsi	149
Far Eastern Telegrams	149
The Colony's Water Supply	149
Commercial	150
Shipping	152

BIRTHS.

On the 10th August, at Wotton-under-Edge, Gloucestershire, to Mr. and Mrs. A. VIVIAN HOGG, a daughter.

On the 10th August, at Sheerness, the wife of Lieut. J. URMSON HOPE, Royal Garrison Artillery, of a daughter.

MARRIAGE.

At St. Paul's Church, Carlisle, on the 10th inst., by the Rev. W. E. Strickland, Vicar, assisted by the Rev. Canon Loftie, and the Rev. Sydenham Dixon, uncle of the bride, GERALD BRUCE ST. PIERRE BUNBURY, eldest son of Major and Mrs. Bunbury, Bedford, and FRANCES MARY OLIVIA, only daughter of Mr. and Mrs. DIXON, Blackwell Lodge, Cumberland. (By cable).

DEATHS.

On July 24th, at Daitotei, North Formosa, ARTHUR FREDERICK GARDINER, aged 44 years, only surviving son of Colonel Thomas George Gardiner, late 3rd Foot (The Buffs), Twickenham, Middlesex.

On August 5th, at Balmain, Sydney, N.S.W., Mrs. LEMM, senr., mother of John Lemm, architect. —By telegraph.

ARRIVAL OF MAIL.

The German Mail of the 14th ultimo arrived per s.s. *Bulow* on the 6th inst.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD CL.
LONDON OFFICE: 131, FLEET STREET, E.C.

FAR EASTERN NEWS.

A Peking telegram states that England and America have proposed that the second Opium Conference be held at The Hague.

A Committee of the leading Japanese residents at Shanghai has started a fund for the relief of sufferers by the great fire at Osaka.

A telegram was received in Shanghai last week stating that Hongkong would be unable to send a team for the projected interport polo tournament.

Mr. Th. H. Lyle, H. B. M. Consul at Chieng-mai, is proceeding home on leave. Mr. T. F. Carlisle, H. B. M. Consul at Hanoi, is also shortly going home on leave.

T. I. H. Prince and Princess Nashimoto, who have been touring in Europe, have returned home via Siberia. They made a brief stay in Seoul and reached Tokyo last week.

The Yokohama Dock Co., Ltd., is going to raise a loan of 1,000,000 yen for the expansion of its business. For this purpose negotiations have already been opened with some foreign capitalists.

The export of watches from Japan began in 1906, and the output then reached some Y.840,000, but in 1907 the amount decreased to Y.630,000 and in 1908 to Y.410,000, the principal cause thereof being the depreciation of silver. The principal markets for Japanese watches are China, Hongkong and India.

Shanghai papers report that Mr. A. Oppenheim-Gerard, chief shipping clerk of the Standard Oil Co., has committed suicide by shooting himself in the head with a revolver up the Soochow Creek. The body was recovered by the River Police and conveyed to the Mortuary. The deceased had been very nervous the past few days.

The Yalu River district has recently suffered much from floods. The old town of Antung has been almost submerged. The Japanese residing in the old town are rendering assistance, and the Red Cross Hospital and the Sino-Japanese Charitable Union are doing everything in their power to succour the Chinese sufferers. The new town has not been injured thus far.

A meeting has been held in the Macao Chinese Hospital, at which the Chinese Community of that Colony resolved to send a special telegram to the Lisbon Government praying that Senhor Rocabdos might be retained as Governor of Macao. This action shows how much Senhor Rocabdos' administration in Macao is appreciated even by the Chinese Community.

We drew attention sometime ago to a statement made by the breeder of the King's Derby winner that the horse was called after the second son of his Japanese gardener and that the word "Minoru" meant "success." A Japanese contemporary referring to our paragraph, says that the word "success" is not a good translation of the word "Minoru," which is an intransitive verb and means "to ripen; bear fruit."

Mr. de Carcer, who has been Envoy Extraordinary and Minister Plenipotentiary for Spain at Peking for the past eight years, and is the *doyen* of the diplomatic corps in the Chinese capital, is shortly leaving for Home to fill a position in the Foreign Office at Madrid.

With the departure of Mr. George Butler Shanghai, says the *N.C. Daily News*, loses another old resident. Mr. Butler came out here as a Choze for a Greek firm as far back as 1866, and since the late seventies he has lived almost continuously in Shanghai. Owing to advancing years Mr. Butler has decided to go home for good, and he will be missed by a large circle of friends. All the teamen met at Mr. Robert Anderson's flat, where they presented Mr. Butler with a handsome silver bowl in recognition of the high esteem and regard in which he is held.

Information reached Manila by mail last Saturday that Bishop Barlin, the first Filipino bishop of the Roman Catholic Church had been critically ill at Rome and had had administered to him the last sacrament of the church last Saturday. The information was received by mail by *Libertas*, but as the correspondent sending it added that in case of the death of the distinguished bishop of Nueva Caceres he would cable the fact, and no cable has been received, it is believed that he had rallied and is somewhat improved. Bishop Barlin has been ailing for several months past and was very sick when he left five months ago to make an official visit to Rome.

Mr. Havelock Wilson stated in the House of Commons recently, with reference to the prevalence of intoxication among the Chinese, that for every white man engaged on our ships there are three Chinamen, "and when a Chinaman comes down he is supported by half a dozen policemen. Members can see it going on every day down at Poplar." We can only say with regard to this that Chinese in Poplar must be of a type very different from Chinese sailors we meet in China ports. In Hongkong, which enjoys the distinction of being in respect of tonnage the largest shipping port in the world, where Chinese sailors may be seen in greater numbers than in any other port of the world, a drunken Chinaman is an extremely rare sight, and the charges of drunkenness brought against Chinese in the local magistracy scarcely average one a month.

An interesting and probably sensational case at the Mixed Court at Shanghai last Wednesday was expected to commence. Det.-Sergt. Kennerly had effected the arrest of the manager and editor and sub-editor of the Chinese newspaper called the *Min Hoo-pao* (the "People's Wail") on a warrant charging them with falsely and maliciously publishing certain false, scandalous, malicious and defamatory libels of and concerning one Chu Sin-tsan. A further and more serious charge is to be preferred against the manager of the paper, viz., that of converting the sum of Tls. 28,000, collected in aid of the Kiangsu Famine Fund, to his own use. He is alleged to have established a guild with the object of collecting subscriptions towards the famine fund in question, and of a total of something like Tls. 28,000 received only about Tls. 2,000 has been forwarded to the authorities in charge of the fund. The complainant in the libel action is said to be an expectant Taotai and a director of the Anhwei Railway.

The death is announced of Mr. Edwards, chief superintendent of the Peking Syndicate in Honan. Mr. Edwards is reported to have taken his own life on Sunday week by shooting himself. It is believed that the tragic deed was the result of his sufferings under the heat.

H. E. the Governor of Macao, Senhor Rocadas, who has been appointed to the Governorship of Angola (Africa), was expected to leave Macao about the middle of the month, but has now been instructed to await the arrival of his successor. It is not yet known who the next Governor will be.

Many of the European contractors who have come to China, with the view to securing naval contracts, are leaving Peking one after the other, says the *Peking Daily News*. The Imperial Government has not yet made any decision as regards the navy and will not until financial matters are settled.

A meeting of Ratepayers of the German Concession at Hankow authorized the Municipal Council to raise a 7 per cent. loan of Tls. 75,000. Tls. 30,000, in debentures of Tls. 100, will be issued shortly. Redemption does not commence before 30th June, 1914, and the loan is to be completely paid off by 30th June, 1934.

A Vladivostok telegram states that it is expected that about 1,500 persons will go there from Japan to attend the horse races to be held between September 6 and 19. About 82 horses from Japan have been entered for the meeting. The event is arousing much enthusiasm among the Vladivostok public.

The revised law for physicians in Japan, which was passed at the last session of the Diet, was issued in the *Official Gazette* for July 19. The chief point of the law is that physicians are not allowed to advertise in any way whatever their medical ability, methods of treating patients, or their past career. If they violate the law, they will be punished with fines ranging up to 100 yen. The law also applies to dentists.

Plans for the celebration of the 300th anniversary of the introduction of the art of printing into the Philippine Islands are now under way. At nine o'clock this morning, says the *Cablenews* of the 1st inst., at the committee rooms of the Philippine Assembly, a meeting of those interested in the event will be held to decide upon the manner in which the celebration shall be held.

A report states that Mr. J. H. Mackintosh, of the firm of Mackintosh & Co., of Shanghai, is endeavouring to secure capital in England for a company in China, the China and Great Western Silk Manufacturing Company, Ltd. Half the capital of £1,000,000 has been already promised by Chinese. The Directors in China are:—His Excellency Sheng Tan-Ho, H. E. Chu Pao-san (chairman of directors), and Messrs. Yang Sing-tse, Chang Tse-ying and Ting-Chia-hou. Mr. Mackintosh will be the managing director.

Mr. J. Mears, Inspector of Police at Kiukiang, was arrested on Saturday at Kulin, and brought last Monday before Mr. G. T. C. Werner, H. B. M. Consul at Kiukiang. Mr. Wm. S. Fleming, attorney and counsellor at law, Shanghai, prosecuted on behalf of the Chinese authorities. The accused was remanded till the 7th August. Mr. Francis Ellis, of Ellis and Hays, solicitors, Shanghai, will defend Mr. Mears. The charge is connected with the death of a Chinese coolie several months ago. Mr. H. P. Wilkinson, the Crown Advocate, visited Kiukiang in connection with the case some time ago, but apparently he did not think there was sufficient ground for prosecution.

Northern newspapers report many deaths from heat apoplexy. The heat in the shade at Tientsin has reached 107 degrees Fahrenheit, and in Peking 115 degrees has been registered. At Peking on July 24 three Europeans at the Hotel du Nord were completely prostrated and did not recover until the evening. A great shock was caused the foreign community of Tientsin on Sunday week by the death of the Rev. Pere du Cray, S. J., from heat stroke, and on the same evening Sgt. J. Aldridge, of the Army Service Corps, died in the British Settlement, Tientsin, from the same cause. Altogether fifteen deaths occurred in Tientsin that day, all of which were due to the intense heat. The previous Friday snow fell on the summit of Mount Fuji in Japan.

Mr. Cameron Forbes, Acting Governor-General of the Philippine Islands, has announced that the stockholders of the Manila Railroad Company, at a recent meeting in London, agreed to accept the franchise for the extension of the Manila Railroad Company's system in the Island of Luzon, retiring their bonds and accepting a guarantee by the insular government of four per cent. per annum on the invested capital conditional on the extension of the line into Albay, into the summer capital, and along the new docks in the city of Manila.

Reports from Chemulpo state that on July 26th Mr. Wada, Director of the Chemulpo Meteorological Observatory, collected a number of relics of the stone age in the grounds of his official house at Hakkeiyen after digging for two hours only. It appears that after the establishment of the observatory on the top of Eungpongnyon hill in 1902 he came to the conclusion that the place was a shell-mound from the shells which had frequently been found at the top, notwithstanding that it was about 230 feet above the sea-level. He has since been making occasional observations, and, being convinced in his idea, has made the experimental excavation as above said. The relics discovered consisted of axes, arrowheads and swords all made of stone, besides a number of fragments of earthenware.

Mr. Werner, the British Consul at Kinkiang, writes in his annual report the following interesting note with regard to the import of matches in the district:—At first sight it seems strange that the natives should pay 10,000/ per annum instead of making for themselves an article of so apparently simple a character. The *sine qua non* of successful match-manufacture is a good wood, neither sappy, knotty nor cross-grained. Nothing but the choice portions of choice trees go to the match machine. Scraps are never used in making matches. Matches are manufactured in many ways and with various kinds of machines, the processes also varying in different factories, and often being secret to prevent their adoption by rivals. Some matches are shaved with the grain from sawed blocks, others cut both ways by saws. In some factories the blocks are boiled to make them cut easily, or a boiled or steamed log is revolved on its own axis, and a shaving the thickness of a match cut round and round. This shaving is at the same time cut into lengths and split into match-sticks. The Chinese have not as yet possessed themselves of the necessary machinery, and suitable timber is not found in many districts, so that this industry has not become established.

A very large crowd assembled at the Kin Lee Yuen Wharf, Shanghai, to welcome Viceroy Chang Jen Chun on his arrival last Tuesday. A handsome awning had been erected and an escort of cavalry and a brass band were in attendance. As the ship passed the *Clio* and the French man-of-war it was greeted by the playing of several lively airs, followed by the Chinese national anthem and the national anthems of Great Britain and France. The ship came alongside promptly, and there was at first a great rush of waiting officials to go aboard, but the Viceroy sent word that he would receive all guests at the Bureau of Foreign Affairs, seeing only the three or four foreigners who were on the wharf to receive him. He quickly landed and was taken away in a carriage preceded by a Chinese cavalry escort and several mounted French police as far as the Yang-king-pang bridge, from which point Municipal Sikh troopers under Sergeants Spottiswoode and MacSweeney, led the long procession to the Bureau of Foreign Affairs on Bubbling Well Road. His Excellency expected to remain in Shanghai two or three days and proceed to Nanking by rail, his wife and family on the *Hsinming* proceeding to Nanking. A very large number of Chinese officials and merchants called on the Viceroy in the afternoon and the street in front of the Bureau of Foreign Affairs was crowded with carriages. H. E. Yuan Shu Hsun, the new Viceroy of Canton, was expected to arrive at Shanghai from Tsingtao on Sunday and proceed direct to Nanking, where His Excellency will meet Viceroy Chang Jen Chun, after which H. E. will return to Shanghai to embark for his new post.

THE FRENCH AVY.

(Daily Press, August 7th.)

Since the selection of the new French Ministry the telegrams have been silent on the political situation in France. The resignation of M. CLEMENCEAU can hardly fail to strike home to every Englishman who has at heart the interests of his country, and is strangely associated with our recent neglect of the defences of the country. It is not for us to pass judgment on M. CLEMENCEAU, who did so much towards building up the Alliance between France and England, but it is not to be forgotten that the main instrument in his fall was DELCASSE; and it was mainly through the exertions of the latter that the Franco-English Alliance, which to the older generation of statesmen in both countries had seemed a pure contradiction in terms, had been shown to be both advisable and natural or both. Without, then, in any way interfering in French home politics, we can according to our immediate point of view, equally sympathise with either side in the discussion which led to M. CLEMENCEAU's enforced resignation. It is no source of satisfaction to us to note how on many occasions lately France has had to submit, without the power of retaliation, to snubs put upon her by her continental neighbours, and it is now only too evident that rumours of the unpreparedness of France, especially with regard to the condition of her Navy, were really at the bottom of these ungenerous allusions. It is not easy to account for the course of events that has resulted in France—once second in the world as a Naval Power, and in respect to the scientific attainments of her officers, and the general preparedness of her ships in many respects the first—sinking, till now she hardly counts as a bad fourth, and, in respect to her immediate preparedness, is almost at the bottom of the scale. In the old halcyon days of the French Navy it was practically an appanage of the privileged classes, and even through all the levelling tendencies of the Revolution, they still contrived to preserve its aristocratic tone. Even up to the time of the Second Empire the Navy had retained its old aristocratic traditions, and it was only with the Third Republic that the bourgeoisie element commenced to affect the old conditions. Somehow these new-fangled ideas did not coalesce with the old; the new officers had not the same feeling of *esprit*, the discipline of the ships fell off; mercenary motives stood in the way of efficiency, the higher officers, finding their requisitions unattended to, gradually grew careless; and the younger discovering that zeal did not conduce to promotion, left the work of the ship to the petty officers, so that the old-time sympathy between officers and crew gradually gave way; and men and officers formed in the ship two separate orders, each with its independent instincts and interests; and with no common *esprit de corps*. Another thing that has worked badly in the French Navy is the want of any tangible system of compulsory retirement, so that after any long period of inaction the various offices are found to be occupied by men already grown old, and often incapable of performing the more active part of their duties. Incapacity or indifference is the natural result, and a condition arises which, combined with the others, has certainly interfered with the mobility of the Fleet.

But what in a comparatively small way has acted detrimentally on the actual executive of the Fleet, has also been assisted in the higher branches of control by somewhat similar disabilities. If the Fleet have

suffered from the aristocratic pretensions of the older ranks failing to accommodate themselves with the junior bourgeoisie, the financial necessities of the country have in the upper departments led to the pining down of supplies. A republican ministry has had little personal sympathy with the old style of officers whose requisitions the official branch was wont to put down to mere aristocratic pedantry. The two in fact had little sympathy. The Minister of Finance, from the necessity of the case, had to keep a close check on expenditure, and impressed this on the Minister administering the Navy. The higher officers, accustomed to the old traditions, were dissatisfied with what they looked upon as innovations; and could not be got to comprehend the financial difficulties in the way. The result has been an almost complete estrangement between the Executive and the Supply departments. Deprived of useful counsel from the Executive class, the Minister of Marine has too often been driven to make reductions injurious to the efficiency of the Fleet. The various departments ceased to work in harmony together, so that ships, armaments, and ammunition were seldom in unison, and one or other had to wait, sometimes for years, the completion of the other. So extreme had been in cases the divergence that ships were found to be already out-classed before the completion of their armaments. It would take up too much space to trace the influence of this decadence of France as a Naval Power upon international politics since the Morocco difficulty arose, which, in the words of M. CLEMENCEAU, led France to "the greatest humiliation she ever suffered." Germany showed to the world that France was unwilling to risk a contest, but it has been left to a Commission in the year 1909 to reveal to the nation the deplorable state to which the French Navy has really sunk. Prompt action has been taken on this report with a view to rehabilitate France as a Naval Power, but meanwhile Germany has stepped into her place as the second Naval Power in the world, menacing even the supremacy of Great Britain on the seas, and gaining correspondingly an influence among the nations of the world, which has been especially evidenced of late in China.

THE ANTUNG-MUKDEN RAILWAY QUESTION.

(Daily Press, August 9th.)

Under an Agreement between Japan and China made in December, 1905, Japan acquired the right to improve the Antung-Mukden railway so as to make it fit for the conveyance of commercial and industrial goods of all nations. We have not at hand the text of the agreement, but its purport was as we have stated. The present line between Mukden and Antung, 128 miles in length, is a Decauville light railway of 2½' gauge. It was constructed by the Japanese for military purposes during the war with Russia. The Commissioner of the Imperial Chinese Maritime Customs at Antung referred to it in his 1907 Trade Report as "that wonderful little 29-inch track which overcame the Russian forces in front of it by the weight of lead and stores which it belched forth at them from the railhead. It remains as a splendid example of military engineering; but, in its present form, it is a far too light and ambitious mountaineer to have any serious commercial importance attaching to it." Mr. E. S. LITTLE, who contributed to the *N.-C. Daily News* last week a descriptive account of a recent journey through Manchuria, thus refers to the line:—"Except for a

short distance out of Antung, and another small stage before Mukden, the entire journey is through mountains, and it is therefore a beautiful trip for scenery. The railway climbs painfully up the mountain sides to the summits, and in one place, owing to the zig-zags necessary to cross a mountain, there are seven tracks, one above the other. The slow rate at which the train proceeds may be judged when it is stated that at one point the engine-driver left his engine, and ran in front of it to a curve. Having seen that the line was clear he waited until the train overtook him and then jumped on board again. The bridges along the line are small wooden structures, some of them exceedingly high above the water. Cars are frequently jumping the track, which is insecure and most unsafe; in fact, there is considerable danger attending the trip. The Japanese demand to reconstruct the line, and put it into proper working order, appears, therefore, reasonable and necessary."

It was the intention of the Japanese railway administration to begin the reconstruction of the line last Spring, and it was contemplated that within three years there would be a broad gauge railway from Antung to Mukden, following in the main the course of the present light railway. China apparently contends that the agreement does not give to Japan the right to reconstruct the railway, but merely to "improve" it, and some contention has also arisen over the proposal of the Japanese to construct a bridge over the Yalu with a view to joining this Antung-Mukden line with the trunk line, over 600 miles in length, which runs through Korea. Mr. KENT, in his useful book entitled "Railway Enterprise in China," summarises the agreement in these terms: "The Antung-Mukden line is to be constructed and operated by Japan for a period of eighteen years, calculated from the 22nd of December, 1905. On the expiration of this period the Imperial Chinese Government have the right to acquire the line at a price to be settled by arbitration." More than three and a half years of that period have already elapsed, and the impatience of Japan at the delay due to Chinese obstruction can be readily appreciated, for the longer the delay the less valuable the concession becomes from the commercial point of view. But the Chinese attitude apparently has been that Japan has not been looking so much to its commercial as to its strategical value. This, however, is an argument which it is not easy to follow. If only strategical considerations entered into the matter, there would appear to be no very urgent reason for the reconstruction of the line, but it is admitted that if the line is reconstructed to standard gauge and connected by a bridge across the Yalu the line would possess great commercial possibilities. The Customs Commissioner at Antung, who naturally sympathises to some extent with the Chinese attitude, writes: "Yet, if both the bridge and the new rails materialise, this route from Japan to Siberia, now one of the most diversely interesting in the East, should become one of the most frequently travelled."

With regard to the bridge across the Yalu the Chinese Authorities asked that the plans be so drawn as to provide for some form of draw or swing over the channel, so that the Chinese town at Antung might not be subjected to the inconvenience and expense of having all its deep-sea shipping prevented from coming up to or nearer the Bund. The plan for the bridge, a structure 3,182 feet long, divided into 200 and 300-foot truss spans, provided that it should be only 26 feet above high water. Since the

ordinary cargo boats within the harbour carry masts of from 30 to 40 feet, and the sea-going junks, which ply regularly between Antung and Chefoo, have masts averaging over 50 feet, China's protest against a closed bridge of such a height as to hamper her sea-going traffic is a perfectly reasonable one. Such a protest could hardly be ignored by Japan, and though we do not know how this matter now stands, we cannot suppose that Japan has failed to see the reasonableness of China's objection and endeavoured to meet it. In the absence of any information on the point we assume this objection has been met, since it does not seem to have figured in the contention of late, which appears to be concerned solely with the question as to whether or not the improvement of the line contemplated by the agreement covers reconstruction. It seems so clear that the original intention was that Japan should have the right to make it as commercially useful and valuable as possible, that we cannot be surprised that Japan should have grown impatient under China's obstructive tactics and decided to proceed with her plans forthwith. That the relations between the two Powers should have been strained to this extent is greatly to be regretted, but the impartial observer can hardly fail to sympathise with Japan in the matter.

BOYCOTTS AND BLACKMAIL.

(Daily Press, August 10th.)

Now that the members of the Self-Government Society of Canton, at a meeting attended, according to the report we published yesterday, by several thousands of persons, have enthusiastically resolved to "have no further dealings with any firm, Chinese or foreign, who employ Portuguese clerks or assistants," we trust strong diplomatic action will be taken, not by any individual Minister at Peking, but by the whole Diplomatic Body. During the brief existence of the Self-Government Society at Canton it has successfully engineered three boycotts against foreign commercial interests, and has now entered upon a fourth, more far-reaching than any which have preceded it, but too far-reaching, perhaps, to be as successful as the others proved, if only there is combination among foreign firms to resist the domination of this mischievous organisation. We have seen boycotts successfully preached for a time, first, against American trade, then against Japanese trade, and latterly against a single British firm with extensive and manifold interests in China. Diplomatic action has proved futile, and experience has shown that when the boycott is directed against individual firms, the quickest, if not the only, method of ending it is submission to a species of blackmail. Individual firms cannot be blamed for sacrificing principle to interest, but that this Society should be allowed to continue to act in defiance of the Treaties by imposing restraints on trade not only shows the Chinese administration to be scandalously ineffective to secure the observance of the Treaties, but reflects seriously also upon the effectiveness of diplomatic action at Peking. We have seen this Society since it came into existence not only preaching boycotts, but enforcing them with heavy penalties on insubordinate traders, and, what is more, we have heard of one case where blackmail was paid by a firm simply to avoid a reference of a matter to the Self-Government Society, though the firm was well assured that the charge made had not the slightest foundation in fact. According to the Treaty-foreigners "shall receive and enjoy for

themselves and everything appertaining to them the protection of the local authorities of government, who shall defend them from all insult and injury," and the Diplomatic Body would surely be amply justified in insisting that the local authorities in Canton and throughout the Empire shall faithfully observe their obligation to defend foreign traders from the insult and injury which is being done to them by this constant succession of boycotts. Self-Government Societies were called into existence by Imperial Edict to assist, and not to over-ride, the Government. Their proper course in such questions as have given excuse for the boycotts would have been to make representations to the provincial or, if necessary, to the Imperial Government and to accept the decision as final. These Societies have been organised as training schools for the education of the people in Constitutional Government, but they are schools without teachers possessing the remotest idea of what Constitutional Government really means. The Self-Government Societies are, it seems to us, never likely to fulfil their purpose of paving the way for a Constitutional Government unless men qualified for the purpose are appointed to give the much-needed instruction and guidance; and in view of what the Self Government Society of Canton has done, and is still doing, the statesmen of China can hardly fail to grow extremely pessimistic regarding the future of the Empire if the intention is fulfilled of granting a constitutional form of government at an early date.

"CHINESERY."

(Daily Press, August 11th.)

It is somewhat interesting to note that a new word (or rather a fresh use of an old word) has of late come into vogue, which admirably describes the ways of dealing of Chinese officials. The term "Chinoiserie," which was formerly used to describe the complicated patterns upon certain Chinese ornaments, has now been adopted as descriptive of the "peculiar ways" of the Chinese official, and, by adaptation, to similar methods when followed by Europeans. A recent writer not inaptly applies it to GLADSTONE'S celebrated Home Rule Bill, which certainly could vie with anything that the Chinese can do in keeping the word of promise to our ears and denying it to our hopes. Chinesery—to translate the word—is a very apt term for expressing the wonderful kind of action on the part of Chinese officials with which those who have been long resident in China are so painfully familiar, but which it is extremely difficult to explain with anything like accuracy. We all know what is meant, but it is not so easy to say in what "Chinesery" essentially consists. It is something like the terms "good" and "bad," which even the great DR. JOHNSON did not attempt to define, contenting himself simply with saying that "good" was "not bad," and "bad" "not good"—definitions which certainly do not carry you very far. Possibly some help may be obtained from the Buddhist idea of "Nirvana," which has been defined as "being and not being." In a similar way "Chinesery" may be defined, not as "being and not being," but as "doing and not doing"—acting, often with a great appearance of energy, in a certain direction with an effective result in exactly the opposite. One of the earliest illustrations we had of this kind of action was in the abolition of Barrier dues supposed to be effected by the Tientsin Treaty. All the difficulties on this subject were considered to have been

settled by the payment by the merchant of an extra half import duty at the port of import; but as soon as the imports got into Chinese hands, on came the old Transit dues in one form or another just as before. This was protested against until commercial men and diplomatists got tired of protesting, and in this way the Chinese succeeded, *more suo*, in abolishing the dues sufficiently to get a part of them paid in commutation to the Imperial Authorities at Peking through the Customs, while leaving the Provincial Authorities pretty well a free hand to levy the old *likin* exactions as before. In much the same way the decrees from time to time fulminated against Opium from Peking had the effect of enabling the provincial and local officials to obtain larger payments for permitting them to be evaded—so that nothing was really done towards removing the evil, which, for all the talk on the subject, went on unchecked, if not actually encouraged, though, it is fair to admit, some kind of *bona fide* effort has been made of late. More recently the promised improvements in the currency, and the more emphatic promises of granting representative institutions, form very noticeable illustrations of the marvellous power of the Chinese to do and not to do a thing at the same time. Repeated action or inaction, whichever of the two it is, of this kind is rather discouraging to those who hope for improvements in China and are honestly desirous to see a nation which, with all its peculiarities, has so much good in it, get into the right paths and do justice to the many qualities it possesses. The curious thing, however, is that after a series of evasions, we often find the Chinese doing the very things they have declared to be utterly impossible. The history of railways and telegraphs in China forms an illustration of this. The Chinese Government always declared they were an impossibility, that the absolutely insurmountable—the *Fung Shui*, the rights of the Provincial Authorities, the inland taxes, the graves of the people in all directions, made any such project as introducing railways impossible; and yet they have now been introduced, although in some cases not upon the most satisfactory footing. It is wonderful how obstacles disappeared when the measure became recognised by the officials as advantageous. Possibly the day will come when the same happy change will take place in regard to currency, finance and other matters of internal administration, but as yet it must be acknowledged that time seems far distant.

RUSSIA AS PEACEMAKER BETWEEN CHINA AND JAPAN.

(Daily Press, August 12th.)

The announcement made in REUTER'S telegrams yesterday that Russia was mediating both at Peking and at Tokyo to secure a peaceful settlement of the difficulties which have led to an open rupture between China and Japan, suggests that St. Petersburg has become considerably alarmed by the reports from the Far East which have been appearing in the newspapers of the Russian capital lately. These have spoken of the massing of Chinese troops in the near neighbourhood of Chientao, and counter-movements by Japanese troops indicating the imminence of a conflict. In Japan, too, news of the movement of Chinese troops in North East Manchuria has created some amount of anxiety, but a semi-official utterance in one of the papers has explained the reports as referable to a very simple cause. China, it is stated, stations her forces along

the frontier between Chientao and Korea in the ratio of ten men per mile, but during the very hot season she recalls these outposts to cooler positions. This manoeuvre, it is added, presents the appearance of massing forces, and may possibly be intended to bear the collateral character of a demonstration. The likelihood of a collision of any kind between the Chinese troops and the Japanese gendarmerie, we are assured, may be counted in the last degree improbable. It is admitted that "a few Japanese gendarmes" have recently been sent to Chientao, but the simple reasons were, we are told, that the number of Japanese and Korean settlers having suddenly increased, the detachment of gendarmes already in the district had become unable to discharge the duties devolving on it, and, in the second place, the ordinary reliefs had to be sent. The explanation seems very naive, and in view of the secrecy which veils Japanese military movements generally, it is not surprising that it tends rather to confirm than to dissipate the impression created by the reports of an unusual movement of troops in Manchuria. The reports from Russian sources we have seen make reference to trains loaded with artillery and munitions of war daily arriving at Mukden, where, it was recently reported by the Russian newspaper correspondents, there are now 22,000 Japanese. We must take the intervention of the Russian Government to be referable either to a firm belief in the progress of warlike preparations, or to an eagerness to earn the gratitude of the Chinese Government by seeking to effect compromises which shall be satisfactory to China (and incidentally to Russia), and so pave the way for future favours. In the present state of public knowledge as regards the actual facts of the situation, it is impossible for the mere spectator to say which of the two motives govern Russia's action; but the evidence afforded by the Japanese press recently of a wide-spread belief in Japan that a conflict in which China would strike the first blow is imminent, is certainly some justification for believing that the Russian Government has become very seriously alarmed and apprehensive of an outbreak of war. At the same time, Russia's intervention can hardly be regarded as wholly unselfish, for Russia's interest in many, if not all, of the questions pending between China and Japan coincides with the claims of China rather than with those of Japan. Take the Japanese railway projects, for instance. These would seriously affect the trade of Vladivostock and the traffic of the Siberian railway. One is the line from Antung to Mukden, and the other one from Chonjin, on the coast of Korea, to Kirin, via Chientao. We explained a few days ago the position in regard to the former. At present it is merely a light railway built by the Japanese during the war for purely military purposes, and when the war was over China granted to Japan a concession for this railway for a period of eighteen years, when it would revert by purchase to China. The agreement gave Japan the right to improve the line and make it fit for commercial purposes. Japan's interpretation of this provision is that she may, if she deems it necessary, reconstruct the line to standard gauge, and this she resolved to do at an estimated cost of twenty-three million yen. China for nearly three years has been objecting to reconstruction, and her persistence against all right or reason has led to an open rupture. Japan last week intimating her intention to proceed with her plans without further delay. It really does seem absurd to suggest that ordinary repairs to a Decauville railway formed the

subject of special negotiation in Peking after a great war, and we cannot but conclude that what Japan asked for and obtained from China was the right to convert the temporary track into a permanent line which should form part of the Manchurian and Korean railway systems. We cannot fathom the reason underlying the Chinese objection. The only explanations we have seen suggested are (1) that the conversion of the line would strengthen Japan's position strategically; and (2) that as China has reserved in the lease the right to purchase the line at the end of eighteen years, it is to her interest to prevent costly improvements. Possibly both these considerations weigh with China, and it is not improbable that her attitude has been stiffened by a little informal encouragement from the Russian Minister with the object of defending the interests of the Siberian railway.

The new railway project, which seems to be coming more prominently into notice, is one which would give more convenient access to Kirin and Mukden than the Antung railway. Some time ago there was talk of a compromise in regard to Chientao, on the basis of Japan conceding China's claim to jurisdiction on condition that the Chinese Government agreed to the building by Japan of a railway connecting Chongjin with Kirin, via Chientao. No settlement of the question was reached, however, and latterly the Chinese have manifested a disposition to build the railway themselves up to the Korean frontier. Should this railway be built, whether by China or Japan, and connection be made with Chongjin on the coast of Korea, it is pointed out that the port would quickly develop into an important shipping centre, the terminus of a route that would be far more convenient than Vladivostok for travellers and goods from Japan, as well as other parts of Asia. Taking all these matters into consideration, we can understand the anxiety of Russia, and her very natural wish to have matters settled to her satisfaction.

DECLINE OF BRITISH INFLUENCE IN CHINA.

(Daily Press, August 13th.)

The footing which Germany has recently obtained in the Yangtse Region has been attributed to her being able to take the Chinese Government into her confidence as to the approaching downfall of the erst formidable British nation, and the little necessity there existed of paying regard to its remonstrances. Unfortunately, the British Government has been itself aiding and abetting this impression of the decay of the Empire; and by the readiness with which, in the loan negotiations for the Hankow-Szechuan Railway, it permitted itself to be placed in a secondary position financially to Germany it has in the eyes of the Chinese Government accepted the position. This it has taken care to emphasise by the unctiousness with which it has accepted in at least two instances the contemptuous offers of the Chinese Government to compromise mining concessions formally granted, but where, owing to the misconduct of local officials, it was found impracticable to work the concessions. It is quite possible, and we do not propose to enter on the discussion, that, according to international law, the Chinese Government was justified in resuming these concessions. Such concessions of mining rights are of ordinary occurrence in international practice, and are never held to disparage any

sovereign rights on the part of the Power granting them other than those specifically granted; and no such grants were implied or claimed in the present cases. The Chinese Government had then a *prima facie* right to resume the concessions. Here, however, international law is plain; the resuming Government is not entitled to confiscate, but must pay full value, with a reasonable allowance for forcible entry. The aggrieved parties are entitled to demand of their own Government this right; and the Minister or other representative of the injured parties is not justified in listening to other terms. In such a case refusal is equivalent to repudiation, and repudiation is of all international crimes the one that is accounted the greatest. The Chinese Government, to its honour be it said, has never even hinted at repudiation, so that the task of the British Minister in explaining the situation was all the lighter.

Of course, the British Minister knows all this; and certainly would not willingly take it on his own shoulders to permit such an indignity to be placed on him; and we are therefore all the more required to believe that he has been acting on direct orders from the Foreign Office. But the loss to the innocent promoters is none the less; and the probability of a recurrence of the same tactics, in view of the impunity accorded in the first instance, is, of course, very much increased. This would only be on a par with all the other proceedings of the present Ministry, who have evidently been living in a fool's paradise in their conception that they individually or collectively represent the views or opinions of the nation at large. The Government has, however, gone so far that to advance or retreat seems to its members equally impossible, and accepts the first proposal that offers. As a government it is now beginning to realise the fact that its methods are out of tune even with the more capable members of its own party. This to any body of intelligent men must have been evident after the perfect indifference displayed by the country at large, when the threatened House of Lords threw out one bill after another on which the Government had staked its credit; and that without a single word of remonstrance, notwithstanding every effort of the Ministers to arouse a revolutionary spirit amongst the extreme Radicals. Possessed of the greatest nominal majority in the House that any Government has for more than a century been able to boast of, it must feel the indignity of being unable, even with the weapon of the Closure, of being unable to carry its Budget through the House; and this is the more galling that the most determined opposition to the new-fangled measures proposed is being led by the more respectable of its own party. It is then only on a par with the general attack on property that in the instance where the Chinese Government, galled with the parrot cry of the "Recovery of Sovereign Rights," has been seeking to confiscate British capital sunk in mining and other enterprises, that the British Minister should have his instructions to pay no regard to the remonstrances of British capitalists, who, in some cases, as in that of the late Mr. LITTLE at the urgent request of the highest officials, have invested their capital in productive schemes in China. Mr. LITTLE's case is a particularly bad one. Finding that they had not sufficient capital nor practical knowledge of coal mining to work their mines to advantage at the greater distances to which they were latterly compelled to extend their workings, the mine-owners themselves proposed to Mr. LITTLE to work

on common account, and this scheme at once recommended itself to the high provincial authorities, who saw the advantages that the province would derive from the industry. The scheme met with the approbation of Peking, and the arrangements for royalties and joint control were all sanctioned, and the scheme placed on the market. But now a new element came on the scene; a new Taotai, under the influence of the reactionary party, suddenly appeared at Chungking; the Chinese local directors, who had been selected from the local colliery owners, a highly intelligent class of men, who had already adopted many devices supposed to be peculiar to Europeans, such as long-wall working, wheeled trollies, and ventilating fans, suddenly resigned. The bankers (native), who had been selected by the colliery owners as perfectly trustworthy men to receive subscriptions, announced that they were forbidden to accept the monies, but said that they were themselves quite willing to act if permission could be obtained. The Viceroy, who had been foremost in supporting the institution, withdrew, frightened by the threats of the newly-arrived Taotai, and now placed as many obstructions in the way as he had before encouragements.

Meanwhile the mine had been surveyed and reported on; a small line of narrow gauge railway to carry the coal to the nearest river had been laid out with the concurrence of all concerned, and an Engineer obtained from England to manage the new workings. Altogether in these preliminaries some 300,000 taels had been spent; markets had been opened out for the coal, which was found to be of superior quality, and admirably suited for locomotive use, as well as for coking, large quantities of iron being manufactured in the district of extremely excellent quality. Finding that owing to the obstructions placed in the way, and the impossibility of getting possession of the land for the railway, the mines could not be profitably worked, the Directors were forced at last to close down, and abandon the workings. Sir JOHN JORDAN, as British Minister, had at the beginning cordially assisted the enterprise, in which he took personally considerable interest, so that his change of face in recommending the acceptance of the Chinese offer must be attributed to direct orders. The final settlement of 200,000 taels and the stock of coal actually mined must be considered from every point of view unsatisfactory. Not only is it a direct sacrifice of over 100,000 taels in actual money, but even from a Chinese point of view, the closing of the mines will inflict considerable injury on the population of the district, as under existing conditions the mines have already reached their greatest possible development. The intention of the agitators, under whose influence a new source of wealth in their country has been cut off, is not to benefit the country, but to return to the worst period of the dynasty, when industrial development of every description was held to be a crime. That the present British administration, in its own warfare against property, should have a fellow-feeling with the modern obstructives in China is perhaps not altogether incomprehensible, but the effects on British influence, as well as on British enterprise, have been disastrous. We have only alluded to the case of Mr. LITTLE's Syndicate, but that of Sir JOHN LISTER-KAYE goes all fours with it in the abandonment of the British capitalist, while the same condonation of encroachment, accompanied here also with the confiscation of capital, is being exhibited in the case of the Marconic installation at Shanghai, to which we have lately had occasion to refer.

THE HOUSE OF LORDS AND THE BUDGET.

(Daily Press, August 14.)

The strong opposition to Mr. LLOYD GEORGE'S Budget proposals foreshadows an early dissolution of Parliament. If the Finance Bill, when it gets to the House of Lords, is not promptly rejected *in toto*, it can be anticipated with certainty that it will be mutilated beyond recognition. In this connection a very interesting political controversy will arise as to the right of the House of Lords to amend or reject a Finance Bill. The House of Lords never has rejected a Finance Bill, and for some centuries has not amended a financial measure, though one or two unsuccessful attempts to do so have been made by venturesome Peers. Eminent authorities on constitutional practice lay down that the Lords have no right to amend a Finance Bill embodying the Budget proposals; they must either accept or reject the Bill in its entirety. But Lord LANSDOWNE, the Leader of the Opposition in the House of Lords, evidently regards this as a fallacy, and he has quite recently publicly and plainly intimated that the House of Lords will not proclaim that it has no responsibility for the Finance Bill, and that "because it is mixed up with the financial affairs of the nation we are obliged to swallow it whole or without mincing. In other words, the House of Lords means to assert its right to amend the Bill, and in the present circumstances they have abundant justification for such a step. Lord RIDLEY, one of the most active members of the Upper House, said in a speech not long ago:—"The impression that the House of Lords cannot touch finance is founded on a resolution of the House of Commons passed centuries ago, but that was not a Bill passed through both branches of the Legislature." The resolution to which Lord RIDLEY refers was passed in 1671. The Peers of that day reduced a duty imposed on sugar, and the Commons retaliated by passing a resolution to the effect "that in all aids given by the King to the Commons the rate or tax ought not to be altered by the Lords." This resolution was placed on the records of the House of Commons and no issue on it has ever been forced by the Lords. Lord LANSDOWNE, however, is emphatically of opinion that for the House of Lords to swallow the Finance Bill whole would not only be a mistaken, but an unconstitutional position. "It is unthinkable," he says, "either in the theory or the practice of a Constitution of any country with two Legislative Chambers, that it should be left to the absolute discretion of one of these Chambers to impose upon the nation any burden, however monstrous and intolerable, any taxation, however inequitable its incidence, any new financial system, however subversive of Society."

One of the London newspapers recently quoted the preamble of the Bill as fully entitling the House of Lords to amend the Finance Bill. The words in the preamble pertinent to the point are these: "Be it enacted by the King's Most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same." These words certainly give the House of Lords the right to withhold their consent to the Bill; it is not so clear that they fully entitle the Lords to amend the Bill. Every Finance Bill for centuries has probably had the same preamble, and yet we have the highest authorities

on constitutional practice laying it down that, though the House of Lords has the right to reject a Finance Bill or other measure for the raising or expenditure of money, it may not amend it. We gather from Lord LANSDOWNE's recent speech on the subject that His Lordship is able to cite authorities to the contrary, but prefers to rely on the common sense view of the matter. However, whether the House of Lords rejects the Bill in its entirety or "minces" it, the action of the Government will be the same, if we may accept the President of the Board of Trade as satisfactory authority for the statement. Speaking at Edinburgh last month, Mr. CHURCHILL emphatically declared that: "No amendment, excision, molifying or mutilating will be agreed to by us. We will stand no mincing, and unless Lord LANSDOWNE and his lordly friends choose to eat their own mince up again, Parliament will be dissolved." Since that utterance the Government itself has been forced to recognise that excisions are needed, for a telegram a day or two ago informed us that the strong opposition offered to one important clause of the Bill had induced them to abandon it. The Bill is not likely, however, to be modified or amended in the House of Commons to such an extent as to make it acceptable to the House of Lords, and, therefore, if Mr. CHURCHILL, in the words we have quoted, expresses the views and intentions of the Cabinet, an early dissolution is inevitable.

RANDOM REFLECTIONS.

How remarkable! A whole week without seeing the typhoon signals! It looks like boasting, and I suppose I'll be asked to "touch wood."

Probably the typhoon signals were not brought out as there was no proper place to exhibit them this week owing to the *Tamur* being in dock. Of course other explanations may be forthcoming.

In Kowloon, I am told, there is an undercurrent of dissatisfaction which occasionally finds expression in a growl about the absence of typhoon signals visible from all parts of the peninsula. Those people fortunate enough to live in houses which command a view of the harbour have little cause for complaint, but there are not many such houses, and as the peninsula is fairly flat advantage might be taken of one or other of the few eminences to enlighten the residents of the proximity of typhoons.

Bathers know the jellyfish and usually dodge them, but the jellybugs, which have become almost as great a nuisance in our bathing areas, are not so easily avoided. This past week they have been unusually virulent, and exclamations from bathers have proclaimed their meeting with the little beggars. The result of the contact is a series of stings and prickles which are not easily allayed. I have no scientific knowledge on the subject of the doings of these submarines, but the explanation generally accepted is that the heavy rains, having disturbed the water, have brought them from the bottom to plague the swimmer and to give all sorts of sensations to the timid in the sea.

How far good comradeship will carry men in Hongkong was illustrated in the action mentioned at the Supreme Court on Friday. In this case the proprietor of a local hotel brought a claim against a boarder, but the man's chums rightly or wrongly decreed that the action should not be brought, and as they happened to be staying in the hotel also they were able to secure their wishes being respected by declaring they would leave if the claim were not dropped. Such a league against the landlord is reminiscent of tactics in Ireland, where the blunderbuss is occasionally presented when the "dacent gentleman" calls for his rent.

Legal proceedings in Hongkong, though sometimes brightened by specimens of Oriental simplicity or cuteness, scarcely ever afford such entertainment as was provided in the Rolls Court, Dublin, last month, between the defendant and the redoubtable Mr. T. M. Healy, M. P., one of the plaintiff's counsel. Mr. Healy, referring to a passage in defendant's affidavit, where he said he had resided for long periods in London, Dublin and Naples, and had been as far away as Australia, added the comment, "Perhaps you were at the South Pole." This brought the crushing retort from the witness, "No. I do not draw on a vulgar imagination." Later Mr. Healy asked, "Is that your explanation?" to which the witness replied "No, it is not an explanation. It is merely trying to bring my intelligence down to the level of yours." Couldn't we import a few Tim Healys?

The new harbour light on Signal Hill, Kowloon, does not seem to excite the enthusiasm of the seafaring men. In fact, I have heard some scoff at it and declare that it is absolutely useless. They assert that it is not properly placed and that it is not of sufficient brilliancy. I am not a nautical man myself—though I once tried to sail a yacht from Ah King's to Kowloon Bay and fetched up at Blake Pier—but when entering the harbour the other evening from Lyceum I could not help being struck with the justness of the criticisms I had heard. The light is not visible from any distance and the wisdom of erecting it in that situation is certainly open to comment.

Live and learn! Not until this last week did most of us know about the differences between can ice and plate ice, and the litigation just commenced in the Supreme Court has been responsible for shedding more enlightenment than legal proceedings usually do.

Weather talk usually suggests poverty of ideas, but such a harsh judgment might be suspended in my favour especially when there are so many extraordinary features to note. At Home there is scarcely any summer except in name; Iceland, whose appellation makes it difficult to associate it with heat, being actually warmer than London or Paris in June. In the East similar vagaries are taking place. People were dying from heat apoplexy in Peking and Tientsin two weeks ago, and at the same time snow was falling on Fujiyama. What a queer place the world is after all!

I noticed in the *D. P.* the other day a very readable extract from the *Lancet*, in which that journal pointed out how insanitary drinking glasses were. When one gives the matter a little thought there certainly appears to be room for improvement. It is not in the interests of cleanliness that a glass of liquor should be handed by the serving person to the drinker with his fingers and thumb on the rim, on that portion of the glass which comes into contact with the drinker's lips, and it does not improve matters when the drinker does the same in order to raise the glass to his lips. It is pointed out that those who imbibe tea run less risk of contamination because they use cups which have handles (unless the boy has been unusually destructive), and as it seems advisable to have drinking vessels with handles we could not do better perhaps than go back to the tankards—foaming tankards—out of which our forbears got so much satisfaction and—ale.

RODERICK RANDOM.

Figures of the total foreign trade of the Philippines during the last year, a San Francisco paper says, show that the United States' share of it was pitifully small, this country having sold to the islands goods of a value of only \$5,101,886, out of a total of \$32,601,872. The principal Philippine imports are cotton goods, of which \$9,000,000 worth were bought by the islands, only \$1,000,000 coming from this country. Perhaps the preferential tariff status which the present Congress is giving to American imports into the Archipelago will change this condition somewhat, but the fact remains that after ten years' possession of the Philippines we have completely failed to dominate that market in competition with other countries.

HONGKONG.

Constables Taylor (94), Grant (2), Lenaghan, (79) and John Ogg have been promoted to the rank of acting sergeant.

Brevet-Major H. Findlay, East Kent Regiment, has been appointed Superintendent of the Detention Barracks at Hongkong.

The manager of the Belle View Hotel has reported to the police that the safe in his office was opened with a duplicate key and \$200 extracted.

The King's exequatur empowering Mr. F. A. Rublee to act as Consul-General of the United States at Hongkong has received his Majesty's signature.

On Aug. 10 at the Magistracy a Japanese restaurant keeper in Pottinger Street was fined by Mr. Hazeland \$250 for selling beer and saké without a licence.

A man and woman working in the fields at Pingchau in the New Territory quarrelled, and the man picking up a bamboo struck the woman on the leg, breaking the limb. She had to be taken to the hospital.

For contravening the Opium Ordinance and applying a false trade description to a quantity of opium, Mr. F. A. Hazeland at the Magistracy on Aug. 6 fined a native \$100, the alternative being two months' imprisonment.

As many as eight pickpockets were arrested by the police a few days ago. One of the men, who was charged with returning from banishment, pleaded that his term had expired, and the case was adjourned for inquiries.

A family quarrel on Cheung Chau Island resulted in a riot, which was, however, quelled by the local police, who made six arrests. The men were placed before Mr. Hazeland at the Magistracy on Aug. 9 and ordered to pay a fine of ten dollars each.

The body of Warder Cockes, of Victoria Jail, was found near the Cosmopolitan Dock at Samshui on Thursday, and was interred in the Happy Valley Cemetery yesterday afternoon, many of his brother warders and the police attending the funeral.

At a meeting of His Majesty's Justices of the Peace held at the Magistracy on the 10th inst. the application of R. Ekhardt for the transfer to him of the Cafe Weismann licence from C. Fiedler was granted. Mr. F. A. Hazeland presided, the other Justices present being Messrs. J. R. Wood, C. D. Melbourne and R. H. A. Craig.

His Majesty the King has not been advised to exercise his power of disallowance with respect to Ordinance No. 6 of 1909, entitled—An Ordinance to amend the Law with respect to the liability of young persons to the death sentence; and Ordinance No. 7 of 1909, entitled—An Ordinance to amend The Larceny Ordinance, 1865.

At the rooms of the Institution of Engineers and Shipbuilders of Hongkong on the 7th instant Mr. G. E. Glover, a chargeman of boiler-makers at the Naval Yard, read an interesting and instructive paper on "Water Tube Boilers." A discussion followed and will be continued on Saturday week. Mr. J. Findlay Miller presided over the gathering.

The four Ningpo men who stabbed a man in a Yaumati boarding-house last month were brought before the Magistrate on Aug. 12. At one time it was thought that their victim, who was stabbed because he asked the men to make less noise as he wished to sleep, would succumb to his injuries, but he has now recovered. One man pleaded guilty and was sentenced to two months' imprisonment, and the others were discharged.

An inquiry took place at the Magistracy on the 12 inst. into circumstances attending the death of a prisoner in Victoria Gaol who had died the same morning. Deceased, who had been committed to prison on the 21st May on a charge of bribery, was seen by an Indian warder at 5-30 in a very weak condition, and he had the man removed at once to the hospital, where he died on admission. Mr. Hazeland, sitting as coroner, conducted the inquiry, and after the jury had heard the evidence of Dr. Thomson, who was of opinion that death was due to acute pneumonia, they returned a verdict of death from natural causes.

The newly appointed Chinese Minister to Belgium, His Excellency Yeung Shu, arrived in the Colony on the 9th instant, tiffined with H.E. the Governor at "Mountain Lodge," and was entertained at afternoon tea by members of the Chinese Club.

The *Gazette* announces that his Majesty the King has been pleased to approve of the appointment of the Hon. Mr. P. N. H. Jones to be an official member of the Executive and Legislative Councils during the absence on leave of the Hon. Mr. Chatham.

The extract of meteorological observations made at the Observatory during the month of July shows that the average maximum temperature was 86.5 and the average minimum 78.2 degrees. The rainfall was 12.825 inches and there were 252 hours of sunshine.

On Aug. 9 was the anniversary of the coronation of King Edward, and the occasion was honoured in Hongkong. The *Tamar* (which has just come out of dock,) the American and Portuguese cruisers, and two Chinese cruisers, dressed ship, and a salute of 21 guns was fired from the land battery at noon.

The roof of the verandah of St. George's Hall collapsed on the 7th instant, fortunately without involving any loss of life. The beams and debris fell through to the floor, which did not give way under the great strain. It is believed that white ants are responsible for the collapse of the beams.

Early on the 7th instant a fire occurred in a jeweller's shop at No. 6, Bonham Strand. The fire brigade were promptly called, were early in attendance, and soon had the fire under control. The damage caused was slight. The insurance on the building was \$4,000, the policies being of the South British, the Phoenix and Marine Fire Insurance Companies.

The police have been informed by Mr. Sharman, storekeeper, residing at 7 Cook Street, Hunghom, that on the 21st July, while his boy was removing his effects from Kowloon Docks to the address given, the boy absconded with a bangle, with silver mouthpiece, value unknown, the property of the Hongkong Volunteer Corps.

Mr. R. H. Crofton, chief clerk in the Colonial Secretariat, on Monday gave his messenger boy ten dollars with which to pay a private bill. The messenger gave it to a coolie and told him to pay the bill. Instead he spent the money. He was arrested and brought before Mr. Hazeland at the Magistracy on Aug. 11th and sentenced to two months' imprisonment and six hours in the stocks.

An armed robbery took place near Kowloon Tong on Tuesday night. About ten o'clock four men, one armed with a chopper and the others carrying torches, entered the dwelling house of a widow, and while one man pressed her to the ground the others tied her two daughters together. Then they turned their attention to the contents of the house, and took away several articles of clothing and bangles to the value of \$23.

An inquiry took place at the Marine Court on the 11th inst. before Lieut. Beckwith, Acting Harbour-Master, into the circumstances of the collision between the steam launches *Lee To* and *Lee Yee*, which took place off West Point on the 26th July, whereby the latter launch was sunk. The Court found that the collision was caused by the wrongful act of the coxswain of the *Lee To* in altering his course and in giving a wrong signal. The Court ordered that his certificate be suspended for six months and that he then undergo a further examination.

Returns of the average amount of bank notes in circulation and of specie in reserve in Hongkong, during the month ended 31st July, 1909, as certified by the managers of the respective banks are as under:—

Banks.	Average Amount.	Specie in Reserve.
	\$	\$
Chartered Bank of India, Australia and China	3,737,977	2,800,000
Hongkong and Shanghai Banking Corporation.	12,071,662	13,000,000
National Bank of China, Limited	47,310	Nil.
Total	\$15,856,949	15,800,000

It is to the credit of the police that they lost little time after being apprised of the theft of sharks fins from T. F. Talati's godowns at Wanchai in tracing and arresting two men and two women on whom suspicion strongly falls. The value of the goods stolen was almost \$2,000, and of this \$1,400 worth were recovered. The suspects were brought before the Magistrate on Aug. 9 and remanded.

Inspector Macdonald placed a native before Mr. F. A. Hazeland at the Magistracy on Aug. 6th on charges of stealing a picture valued at \$10 from a Mission House and \$334 worth of goods, the property of Mr. A. Frizzini, of 539, Shanghai Street, Mongkok. After hearing the evidence his Worship held both charges proved and sentenced the defendant on each to three months' imprisonment with hard labour and six hours' stocks.

On Aug. 5th Mr. B. F. Howard, a mining engineer, who has been in Hongkong for some years, died while being brought to the city by launch. Mr. Howard, who was in the employ of the Fook Hing Mining Co., has been ailing for about two weeks, and apparently allowed too much time to elapse before seeking medical aid. On Wednesday he left Sha U Cheung by the launch *Hoi Ning*, but became worse on the voyage and died before the launch entered the harbour.

The number of Chinese marriages solemnized in the Colony last year was 458 as compared with 137 in 1907. Thirty-six were contracted at the Registrar-General's office. The total number of Chinese births registered in 1907 was 1,129, but as no less than 1,033 maternity cases were attended at the Alice Memorial Hospital it shows how large a proportion of births are not registered. Of the total number of deaths (9,271), 7,025 were registered at the Registrar General's office.

A smart capture by the police was made known on Aug. 9 at the Magistracy in the hearing of a case in which two men were charged with having broken into a house in Second Street and stolen silk clothing to the value of \$350. The house was occupied by a tailor, who had the cloth for the purpose of making up. One man was arrested yesterday morning with a portion of the stolen property in his possession, and a little later the police inquiries resulted in another man being arrested at Yaumati. The latter had pawned his share of the clothing, but it was all recovered. The two men were sentenced to three months' imprisonment each and to six hours in the stocks.

Proceedings at the Magistracy have brought to light an extraordinary situation at Alexandra Buildings. It is stated that one of the lift boys was anxious that a vacancy in the staff should be given to his brother, and when this proposition was not entertained by the Secretary it is alleged that the No. 1 boy called out all the others and intimation was sent to the Secretary that they would all leave. The Secretary at once engaged a fresh staff, and the former employees tried to intimidate them. Failing in this, it is alleged that one of them damaged the lift apparatus, throwing it out of gear. An engineer had to be called in to set the matter right. The police were informed of the matter, and one boy was arrested and efforts are being made to locate another. The charges against them are intimidation and doing malicious damage to property.

On July 24th a Portuguese youth named Joseph Cordeiro called at the rear entrance to No. 12, Morrison Hill Road, and informed the houseboy that he wished to speak with the master of the house. Leaving the door open the boy went upstairs and informed his master that a Portuguese gentleman wished to speak with him. When the master went below he found that Joseph had left, and he also discovered that he had taken a watch with him. The larceny was reported to the police, who arrested Cordeiro on Wednesday, and Friday he appeared before Mr. J. R. Wood at the Magistracy and admitted the charge. The defendant, who is only 18 years of age, had four previous convictions against him. His Worship committed him to jail for three months with hard labour, and warned him that he would commit him for trial at the Criminal Sessions if he again appeared on a similar charge.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held on the 13th inst. in the Council Chamber.

The following were present:—

HIS EXCELLENCY THE GOVERNOR, SIR FREDERICK JOHN DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.

Hon. COLONEL DARLING, R.E. (Acting G.O.C.).

Hon. Mr. A. M. THOMSON (Acting Colonial Secretary).

Sir HENRY BERKELEY, K.C. (Acting Attorney-General).

Hon. Mr. C. M. I. MESSER (Colonial Treasurer).

Hon. Mr. P. N. H. JONES (Acting Director of Public Works).

Hon. Mr. A. W. BREWIN (Registrar-General).

Hon. Mr. F. J. BADELEY (Capt. Superintendent of Police).

Hon. Dr. Ho Kai, K.C., C.M.G.

Hon. Mr. E. OSBORNE.

Hon. Mr. W. J. GRESSON.

Hon. Mr. E. A. HEWETT.

Hon. Mr. MURRAY STEWART.

Hon. Mr. WEI YUK, C.M.G.

Mr. C. CLEMENTI (Clerk of Councils).

MINUTES.

The minutes of the last meeting were read and confirmed.

FINANCIAL MINUTES.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes Nos. 33 to 36, and moved that they be referred to the Finance Committee.

The COLONIAL TREASURER seconded, and the motion was agreed to.

FINANCIAL.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 11) and moved its adoption.

The COLONIAL TREASURER seconded, and the motion was agreed to.

LIQUOR LICENCES.

The COLONIAL SECRETARY—Sir, I rise to move the resolution standing in my name. I propose, Sir, to take the schedule as read, as it has been in members' hands for some time. I may, however, point out that the general principle of the ordinance has been to practically double the revenue hitherto derived from liquor licences, and advantage will be taken also of the opportunity to make a larger sliding scale in regard to publicans' and adjunct licences. I may add, Sir, that the extra revenue is practically necessitated by the fact that next year, 1910, we cannot calculate on the four lakhs we received this year on account of the Widows and Orphans' Pension Fund, and that this addition to the revenue is absolutely necessary without taking into consideration anything in connection with the Opium Farm.

The COLONIAL TREASURER seconded.

The resolution was as follows:—"Resolved that the Second Schedule to The Liquor Licences Ordinance, 1898, named Schedule S in Section 2 of The Liquor Licences Amendment Ordinance, 1902, be repealed and that the following Schedule be substituted therefor, with effect in respect of each licence that is now or may hereafter be in force from the date of the renewal or of the grant of such licence as the case may be; provided always that in the case of licences which are renewed or granted subsequently to the date of this Resolution and prior to the first day of January, 1910, the fee shall be, in respect of the period between the date of issue and the thirty-first day of December, 1909, at the rate previously obtaining, and in respect of the period from and after the first day of January, 1910, at the rate set out in this Schedule.

Schedule of Fees for Licences payable under the provisions of The Liquor Licences Ordinances 1898-1908

The following fees shall be paid for the licences hereinafter mentioned and in the manner hereinafter specified, that is to say:—

Nature of Licence.	Fee.	Manner of payment.
Distillery Licence	\$ 800	Annually, in advance.
Temporary Licence.—At the discretion of the Governor		In advance.

Publican's Licence:—

(a) In Victoria:—

When the valuation of the premises occupied is—

Not exceeding \$1,000.....\$1,500

Exceeding Not

\$ 1,000	\$ 2,000	\$2,000
2,000	3,000	2,500
3,000	4,000	3,000
4,000	7,000	4,000
7,000	10,000	5,000
10,000	20,000	6,000

and an additional fee of \$1,000 for every \$10,000 or part thereof in excess of \$20,000.

(b) Elsewhere in the Colony the publican's licence fees shall be less by one quarter than the fees obtaining in Victoria.

Adjunct Licence:—

The fees shall be less by one-half than the publican's licence fees above set out.

Removal Licence\$ 40

Note.—If the new premises are of a higher annual valuation than those from which the licence is removed a proportionate part of the extra fee, if any payable in respect of such difference of valuation, must also be paid.

Transfer of Publican's Licence\$ 400

Transfer of Adjunct Licence80

Wholesale Licence2,000

Grocer's Licence2,000

Chinese Wine & Spirit Shop Licence.—

(a) City of Victoria west

of the line formed by the Albany Nullah1,300

(b) City of Victoria east of

the line formed by the Albany Nullah1,100

(c) Quarry Bay, from Tsat

Tsz Mui Police Station to the S.E. boundary of Shaukiwan M.L. 1.....\$ 800

(d) Shaukiwan, from the

S.E. boundary of Shaukiwan M.L. 1 to the boundary of War Department land east of

Ah Kung Ngam.....\$ 800

(e) Aberdeen and Aplichan\$ 700

(f) Tsim Sha Tsui Yaumati and Hunghom, & that

portion of the Kowloon Peninsula which is south of a line drawn from

Nullah Street Mong Kok Tsui, to the centre of the road between K

K.M. Lots 52 and 53 at Shek Shan\$1,100

(g.) Sham Shui Po and

remaining portion of the Kowloon not included under (f.),\$ 800

(h.) Kowloon City and the remainder of new

Kowloon700

Chinese Restaurant Licence:—

When the valuation of the

premises occupied is—

Under \$500.....600

\$500 or over, but under

\$2,0001,200

Over \$2,0001,800

Eating Houses (where no

intoxicating liquors are sold):—

In Victoria20

Elsewhere5

Hon. Mr. OSBORNE—I rise, Sir, to move the following amendment as an addition to the resolution before us—"No intoxicating liquor shall be served on any ground floor of premises possessing an adjunct licence." The object of the resolution, I take it, is to raise revenue. My amendment is not put forward in any spirit of hostility to this object, but solely with a view to securing fairplay between those whom the resolution most affects. The purpose of an adjunct

Annually in advance, subject to the provisions of The Liquor Licences Ordinance 1898.

In advance

In advance.

Annually,

in

advance.

Payable in four quarterly instalments, in advance.

licence, as I understand it, is to enable those hotel-keepers who do not run a public bar to provide visitors with intoxicating liquors at their meals, and the main difference between an adjunct licence and a publican's licence, if I understand it correctly, is that the one permits of a public bar and the other does not. Now, Sir, it may not, perhaps, be generally known, but nevertheless it is a fact, that within a stone-throw of the Clock Tower there are three establishments under the names of cafes and restaurants which are in the habit of selling liquors openly and at all hours under their adjunct licences, and, in my opinion, in distinct violation of the intention of the law. It is true that a certain pretence is made of serving meals with these liquors, but the victuals so provided, as a rule, are given generally after the drink is finished, so ensuring that they will not be eaten, and so enabling a couple of sandwiches to do duty for many meals. A charge of five cents is made at one establishment; at another establishment the victuals are provided free; and at the third establishment there is no pretence of providing meals at all. To all intents and purposes these three establishments are public drinking saloons, pure and simple, and as under the resolution which has just been proposed they will pay exactly one half the fee for an adjunct licence which a publican will pay for a publican's, the unfairness of allowing this state of things to continue is obvious, and more especially so when you take into account that a hotel, if I read the resolution correctly, will pay on the whole rateable value of the whole building, including the bedrooms and all, whereas a drinking saloon, masquerading in the guise of a cafe, will pay only on the value of its one ground floor. There is another aspect of this question, an aspect which has given rise to considerable discussion in England recently, and which I presume the Government has also given attention to here. I allude to the drinking facilities afforded by clubs. Some of them—clubs merely in name—are in reality nothing more or less than drinking halls to a very large extent. If the Government is bent on the further taxation of drink for the purpose of raising revenue, it seems to me only consistent that the Club should be placed on an equal footing with the publican in this respect. This question, however, is of too far reaching a principle to deal with off hand, and, therefore, I propose to confine myself to asking Council, by accepting this amendment, to secure fairplay only at present as between the publican and the adjunct licensee.

HIS EXCELLENCY—Gentlemen, with regard to what has fallen from the unofficial member at the end of the table, I think that, perhaps, I should have been more correct if I had called him to order earlier in his speech, because the amendment he wishes to make is not under the resolution before the Council. It will have to be effected by a separate ordinance. The resolution before the Council is entirely confined to altering the fees under a particular schedule, and it is not in order, under the present resolution, to raise a question of such wide importance as the alteration of the Liquor Ordinance. With regard to the resolution itself, it has been framed, as you will see, to increase the fees payable by vendors of intoxicating liquors with the sole object of increasing the revenue in order to meet the increasing expenditure. The Colonial Treasurer estimates that the revenue which we hope to derive from the operation of this imposition will amount to between two and two and a half lakhs of dollars per annum. We hope that this will not fall upon any particular section of the community. I am not aware that any excessive profits are being made by holders of any particular form of licence, and it is our hope that the result of this resolution will be to very slightly put up the price of liquor in the Colony and thereby the burden will fall upon the general consumer. It is, of course, impossible to calculate exactly or even approximately what this increase in retail sale may amount to until the resolution comes into force, but in all probability it will not exceed ten or twelve cents on a bottle of whisky—probably considerably less. When we consider that in England there is an import duty on spirits which varies from 11/4 to 11/6 on ordinary spirits up to 16/- and

18/- on some special classes, and that this is in addition to the publican's licence, which varies from £6 to £60, whereas in this Colony we have no import duties of any kind on liquor, I think you will agree with me that the consumer of liquor in this Colony may fairly contribute something more to the revenue. I believe this is the general opinion in the Colony, and the only question is one of method. Beyond doubt it seems to me the simplest and fairest one, and the most advantageous to the revenue, would be the imposition, so far as European liquor is concerned, of import duties. But there are some strong objections to that course. In the first place, there is the objection which, perhaps, I may call a sentimental one: that is, that by the import duty this port would be no longer an absolutely free port. The thin end of the wedge would be inserted, and we don't know whether, in case of some future financial stress, the wedge might not be driven further home by the imposition of duties on tobacco and other articles. On the other hand, there is the practical difficulty that the imposition of customs means a customs service. It may, perhaps, be argued that if the duties were limited to liquor only, and particularly to liquor manufactured in Europe or America, that the duty of collection might be thrown upon the Harbour Department, and the duty of preventing smuggling might devolve upon the police. It is possible that that might be done with some extra staff in either one or other, or both, departments. But it seems to me that European liquor is only one aspect of the question, and that the least important of the two. A customs duty cannot be imposed on Chinese liquor which is imported by junk in large quantities from Canton without involving a very large and well-organised customs service. The alternative, in the case of Chinese liquor, would be a Spirit Farm. I therefore, however, I pass to the discussion of a Spirit Farm. I would point out that the scheme of import duties has the great advantage that it falls equally upon all sections of the community: upon clubs, upon private importers, upon service canteens, as well as upon the trade. As to a Spirit Farm, the objections to that, I take it, are, first, from the gross amount which is collected you have to deduct the farmer's profits. That is to say, you have to place a heavier burden upon the community than is necessary for the sole purpose of revenue, whereas in the scheme proposed in this resolution no extra machinery of any kind is required. In the second place, a Spirit Farm would, I believe, be unpopular; still, I think there is much to be said for that form of collection of duties. The farmer's profits, if the farm was combined with the Opium Farm, would not necessarily be large, because the machinery is already to his hand and he would be able to tender high. But there is the practical difficulty that if the farm was given to the successful tenderer for the opium there would be no competition. On the other hand, it is already late, I don't say it is too late, but it would be certainly difficult to put in advertisements now to combine the spirit and opium farm. As to the unpopularity of a farm, I don't think myself that this is a very serious matter, if it were properly understood by the Chinese, because the search required in the case of spirits does not involve a search of the individual, nor does it involve the same minute and precise scrutiny of baggage as in the search for an article so easily concealed as opium. You will see from what I have said, gentlemen, that I hold no views on this subject one way or the other; in fact, in my opinion, the argument in favour of either method is very evenly balanced. The form of the resolution placed before you has been the subject of exceptionally careful consideration and investigation, and that is the reason why there was delay in laying it before the Council. It has been discussed frequently before the Executive Council, and in these deliberations I have had the great advantage of two very experienced unofficial members, and we considered that the present form would be the most welcome to the community, would involve the least disturbance to trade, and would be the most practical. If, however, when this resolution comes into operation, the result in the case of European liquor should be to increase private importations by non-licencees, or the creation of a

monopoly by capitalists, or if, in the case of Chinese, it should tend to illicit sales by non-licencees, or should give undue advantage to larger dealers, it may be necessary to adopt the alternative of import duties. Therefore, the form of the resolution placed before you is a tentative and experimental one. I turn to the resolution itself. You will see that there are several new principles in it as regards assessment. On the one hand, the maximum of \$2,400 has been abolished, as it was considered unfair to the smaller dealers, and it has been superseded by a carefully thought out scale. In the second place, there is a discrimination between a licence in Victoria and elsewhere in the Colony, and I think you will all agree that that is a useful innovation, since the holder of a licence in Victoria is able to derive a much more thriving trade than in Kowloon or elsewhere. In the third place, the adjunct licences have been considerably increased, because, as was pointed out by the last speaker it is generally believed that the legitimate limitations of adjunct licences have in some cases been considerably strained, which, of course, acts to the detriment of the publican, who has paid much more for his licence. Lastly, you will observe that there is no increase in this schedule on beer licences. The reason for that is that the attempt to start breweries in this Colony has been attended with exceptional difficulties, and in one case after another the pioneer ventures have failed. There is at present one prominent brewery in the Colony, but it is still in the pioneer stage, and it is not considered advisable to place any tax on it at the present time. In conclusion, I would point out to you one general matter of interest. Our present revenue from spirits amounts to about two and a half lakhs, and the increase which we anticipate by this resolution will amount to from two to two and a half lakhs, probably nearer two. The Spirit Farm in the Straits Settlements realises close on two and a half lakhs, and I think in all probability there is a larger liquor consuming population in this Colony than in the Straits Settlements. We, therefore, may say in round figures that consumers of liquor in this Colony pay about half, or less than half, what is paid by a similar section of the community in the Straits Settlements. I mention this simply as a matter of interest. I do not believe there is any opposition to the general principle that in our difficulties of revenue we should turn to the consumers of liquor and impose a slight increase on the sale of liquor in this Colony. (Applause.)

Hon. Mr. STEWART—Your Excellency, I invite the Government to postpone this resolution. Those of us who, in common with the general public, hear now for the first time the arguments in favour of it, may reasonably, I think, ask for time in which to consider them, time in which those whose interests are more immediately affected may be enabled to represent their views. No unofficial member is, I think, fully qualified to speak for them, and it seems, therefore, only fair that they should have an opportunity of representing any objections which they may have, if they wish to do so, through the medium of the Press. I, therefore, propose that the resolution be postponed until the next meeting of Council.

Hon. Mr. OSBORNE seconded.

HIS EXCELLENCY—I shall be glad to adjourn the debate on this subject until the next meeting of Council, if that will meet with the views of hon. members.

MALICIOUS DAMAGE ORDINANCE.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend the Malicious Damage Ordinance, 1865.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

RATING ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend the Rating Ordinance, 1901.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

TRAMWAY ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend the Tramway Ordinance, 1902.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

LIQUOR LICENCES ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend the Liquor Licences Ordinance, 1898, and the Liquor Licences Extension Ordinance 1908, and to repeal the Liquor Licences Amendment Ordinance, 1902.

The COLONIAL SECRETARY seconded and the motion was agreed to.

DOGS ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend the Dogs Ordinance, 1893.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

BURIAL GROUND ORDINANCE.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to set apart certain Crown Land to be used as a burial ground for persons professing the Christian Religion, other than members of the Roman Catholic Church.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

GOVERNOR-IN-COUNCIL RELIEF ORDINANCE.

The ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to relieve the Governor-in-Council of certain ministerial duties.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

PATENTS ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved that the Council go into Committee on the Bill entitled An Ordinance to amend the Patents Ordinance 1892.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

The ATTORNEY-GENERAL—The Committee will remember that the bill was left in committee from time to time in order to obtain the considered opinions of practical bodies—the Law Society and the committee of the Chamber of Commerce. These bodies have considered the bill. The Law Society made certain recommendations which were submitted to the Chamber of Commerce, who concurred therein. The Bill now before the Committee embodies the recommendations of the Law Society concurred in by the Chamber of Commerce. The alterations recommended are not extensive. Amendments will be made to sections five and eight. In section five certain words will be left out and in section eight sub-sections 12 and 13 will be deleted and two new sub-sections substituted.

On Council resuming the ATTORNEY-GENERAL reported that the Bill had passed through committee.

The ATTORNEY-GENERAL—As the Bill has been before the Council a considerable time and received the fullest consideration at capable hands, I move that, no member objecting, it be read a third time.

The COLONIAL SECRETARY seconded, and the bill was read a third time.

HIS EXCELLENCY—The Council stands adjourned until Friday next. I hope that day will be convenient to members.

Hon. Mr. HEWETT—It is English mail day, Sir.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding. The following votes were passed:—

PUBLIC WORKS DEPARTMENT.

The Governor recommended the Council to vote a sum of Eight thousand three hundred and forty-four Dollars (\$8,344) in aid of the vote, Public Works Department, Other Charges, Incidental Expenses.

SANITARY DEPARTMENT.

The Governor recommended the Council to vote a sum of Two thousand six hundred Dollars (\$2,600) in aid of the vote, Sanitary Department, Other Charges, Cemeteries, Incidental Expenses.

SUPREME COURT.

The Governor recommended the Council to vote a sum of Eighty-five Dollars (\$85) in aid of the vote, Supreme Court, Other Charges, Language Study Allowance.

PUBLIC WORKS EXTRAORDINARY.

The Governor recommended the Council to vote a sum of Two thousand one hundred and fifty-five Dollars (\$2,155) in aid of the vote, Public Works Extraordinary, Miscellaneous, Blake Pier Shelter.

HONGKONG GENERAL CHAMBER OF COMMERCE.

Minutes of a Monthly Meeting of the General Committee of the Hongkong General Chamber of Commerce held in the Chamber Room, St. George's Building, on Tuesday, the 3rd August, 1909, at 4.30 p.m. Present:—Hon. Mr. E. A. Hewett (Chairman), Mr. J. R. M. Smith (Vice-Chairman), Hon. Mr. W. J. Gresson, Messrs. A. Babington, J. W. C. Bonnar, J. W. Bardow, D. R. Law, H. A. Siebs, E. Shellim, H. E. Tomkins and E. A. M. Williams (Secretary).

MINUTES.

The Minutes of the last Monthly Meeting of the Committee were confirmed.

ARBITRATIONS AND SURVEYS ON PIECE GOODS.

The following reply to the Bradford Chamber was read:—

Hongkong Chamber of Commerce.

Dear Sir.—I am directed to your letter of 11th May, 1909, in which you express the dissatisfaction existing among Exporters of Worsted, Woollen and Cotton Goods, whose product has been the subject matter of dispute between themselves and Eastern Buyers.

My Committee do not know in what particulars the system adopted by the Bombay Chamber differs from that of the local Chamber, but have written for details and upon their receipt will give the matter their further consideration.

I am to state that my Committee have had full confidence in the ability of the Arbitrators and Surveyors elected by them from time to time, and cannot but believe that the error of judgment is with the Exporters of the cargo in dispute.

If the Bradford Chamber of Commerce can bring a clear case to the notice of my Committee, showing that they are justified in animadverting against the decisions of our local Surveyors, in the manner they have done, my Committee will thoroughly enquire into the matter.—I am, &c.,

E. A. M. WILLIAMS,
Secretary.

The following letter to the Bombay Chamber was read:—

Hongkong Chamber of Commerce,
30th June, 1909.

Dear Sir.—My Chamber has received a circular letter from the Bradford Chamber of Commerce in which the system adopted by the Bombay Chamber of Commerce for dealing with disputes in respect of alleged inferiority in the quality of Worsted, Woollen and Cotton Goods is referred to.

My Committee would much like to know the procedure of your Chamber as to appointment of Arbitrators and Surveyors, so that they may bring ourselves into line with you.

Any information you can give me on this point will be much appreciated.—I am, &c.,

E. A. M. WILLIAMS, Secretary.

The following reply from the Bombay Chamber of Commerce was read:—

Chamber of Commerce,
Bombay, 16th July, 1909.

Dear Sir. In reply to your letter dated 30th June regarding the procedure adopted by this Chamber with reference to the appointment of Arbitrators, I have pleasure in enclosing herein a copy of the rules and regulations governing all disputes submitted to the Committee. I may mention that surveyors for private surveys are not appointed, it is only when both parties to a dispute submit separate statements of their case direct that arbitration is undertaken and an award given. Both parties must also express their willingness to abide by the decision.

When surveyors who are adopted by the disputants themselves are unable to agree the matter can be referred to the Committee of this Chamber for an Umpire's decision.

In sending you the enclosed pamphlet I would express the hope that it will prove of practical utility and furnish you with the information you desire to obtain.—Yours faithfully,

J. B. LESLIE RODGERS.

The Secretary.

Hongkong General Chamber of Commerce.

CURRENCY QUESTION.

The following letter from the Tientsin Chamber was read:—

Tientsin Chamber of Commerce,
28th June, 1909.

SIR.—I have the honour to invite the co-operation of your Chamber on the currency question, which is a matter of vital interest to all the commercial committees in China.

The question has again been brought vividly before this Chamber by the wholesale depreciation of the local currency, and matters have reached an impasse.

In inviting your co-operation you will perhaps allow me to explain in some detail the present situation of the local currency.

The fineness of the local Hongping Hua Pao sycee is supposed to be .992, and the shoes are so stamped, but no control has for some time been exercised over the melting shops, and the touch has deteriorated to anything round about .965.

In February, 1908, the Commissioner of Customs issued a notification (vide pp. 49-50 of our 1908 Year Book) that owing to the deterioration of sycee an extra 2 per cent. would be imposed on all duties. It was not until September, 1908, after much agitation, that this illegal charge was done away with, but we were unable to induce the Chinese Authorities to acknowledge their liability for the currency in spite of the fact that all melting shops were required to hold licences from them.

Since that date a so-called melting fee of 8 per cent. has been charged on all duties, and we have, up to the present, been unable to secure the abolition of this imposition.

No steps have been taken to recall the debased sycee, nor efficiently control the issue of new shoes. A proclamation was issued by the Haikuan Tao in March 1908 (vide p. 142 of our 1908 Year Book), which ordered the melting shops to issue sycee of .992 fineness; but this proclamation has been a dead letter. The position then is this. That the former currency of debased sycee, lower than .992, which formed the currency of the port, has been demonetised and that no effective steps have been taken to replace same by another currency. This has led to a state of confusion in all financial transactions to the detriment of trade.

Things have reached such a pass that a payment of Tls. 1,000,000 recently required to be made on Chinese Government account to one of the banks could not be made owing to their having no sycee of the requisite fineness.

On 18th instant, a special meeting of this Chamber was held, and a long resolution was adopted demanding that the debased sycee shall be recalled, replaced and remelted, and that an efficient control of all sycee melted in future should be maintained. I have the honour to send you under separate cover copies of correspondence, and of the minutes of the meeting referred to.

The Committee was instructed to invite the co-operation of the other Chambers in China, and I feel confident in laying the facts before your Committee that they will welcome the opportunity to co-operate with us in urging the Diplomatic Corps in Peking to insist on the long promised reform of the currency being carried into effect. There is a strong feeling in this Chamber that we can go on writing despatches interminably without producing any effect, and, as one speaker pointed out at our recent meeting, the foreign community have a very powerful lever in the payments they make to the Customs. If our united representations again bear no fruit it might be worth considering whether combined action of all the Chambers in the manner indicated would be advisable.

The minutes, which I am forwarding to you, will, I think, give an idea of the serious financial situation here, and, as the agent of one of the banks pointed out, breaking point may be reached at any moment.

I feel confident in approaching your Chamber that we shall have your full support in another united endeavour to secure the long promised currency reform.

We are communicating in the above sense with the Chambers of Commerce at Shanghai, Hankow, Tsingtau, Newchwang, London, and Manchester, and I feel hopeful that if we unite in taking firm action we shall be

able, under the new Chinese régime, to secure the desired reform.—I have, &c.,

W. E. SOUTHCOTT,
Chairman.

The letter and enclosures were duly acknowledged in a letter which stated that the matter was receiving the attention of the Committee of the Chamber, and subsequently the following reply was sent:—

Hongkong Chamber of Commerce,
10th August, 1909.

SIR.—I have now the honour to reply to your letter dated 28th June, 1909, on the question of Currency Reform in China.

My Committee are fully prepared, as they have always been, to take part in any concerted action having for its object the improvement of the present state of affairs to which you call attention. It is presumed that the present endeavour will take the form of a joint memorial, and my Committee will be glad to receive a draft of it in due course.—I am, &c.,

E. A. M. WILLIAMS,
Secretary.

W. E. Southcott, Esq.,

Chairman, Tientsin Chamber of Commerce.

THE BLOWING OF STEAM WHISTLES IN THE HARBOUR.

The following letter from Messrs. Deacon, Looker and Deacon was read:—

Hongkong, 23rd July, 1909.

SIR.—We desire to call the attention of your Committee and especially to those Members of it who represent shipping interests, to the 21st regulation of Table "M" of the Merchant Shipping Ordinance No. 10 of 1899. The object of this regulation is to control the nuisance caused by the unnecessary blowing of steam whistles in the harbour.

In the original regulations published simultaneously with the Ordinance, the regulations ran as follows:—

"9. No Steamship when at anchor near or lying off the Praya, or when moored to or waiting at any wharf or landing-places, shall use the steam whistle, nor shall such steamship, when under way, use the steam whistle, except for the purpose of giving necessary notice of her approach towards any other vessel."

"10. No steamship when entering or leaving the Harbour, or when at anchor therein, shall use her steam whistle, except for the purpose of navigation or to avoid collision. The use of such steam whistle for any other purpose is hereby prohibited."

These regulations were amended by the Government Gazette of the 10th March, 1908, page 342, and the following regulation was substituted for the two quoted above:—

"21. No steamship shall use her steam whistle except for the purpose of navigation as laid down by His Majesty's Orders in Council in Articles 15, 28 and 31 of the Collision Regulations."

The effect of the present regulation is that, unless a steamship blows her whistle when in the waters of this Colony strictly for the purpose of regulations 15, 28 and 31 of the regulations for preventing collisions at sea, a nuisance is committed for which the Master can be fined.

We are given to understand it is the invariable practice of seamen, both in the waters of this Colony and in other crowded anchorages, and possibly even in the open sea to give a warning on the whistle of a steamship's approach to small craft whose presence or course might constitute danger either to themselves or to the steamship. This signal appears to consist of one or more blasts or toots.

The necessity for this warning is particularly apparent in this harbour where steamers, when coming up to their buoys or their wharves, have often to be steered at such a speed as to preclude their being under full steerage way, rendering them often unable, owing to the crowded state of the harbour and the influence of the tides, to avoid small craft which otherwise they would be bound to steer clear of.

Under regulation 21, as at present framed, a steamship cannot adopt the customary method of warning small craft without being liable to conviction for a nuisance. On the assumption that the giving of these warning whistles is in

accordance with the ordinary practice of seamen, Regulation 21 would also seem to be contrary to regulation No. 6 of Table "M." viz.:-

"6. All vessels irrespective of size shall, whether in a Fairway or not, observe the International Collision Regulations, and no vessel whatever shall anchor in any of the Fairways."

and to Regulation No. 29 for preventing collisions at sea.

We would invite the attention of your shipping members and of your Committee to a consideration of the above facts.—We have, &c.,

DEACON, LOOKER AND DEACON.

After consideration of the matter by the Committee the following reply was sent:—

Hongkong, 7th August, 1909.

GENTLEMEN,—My Committee has now considered your letter dated 23rd July, on the subject of Regulation 21 of Table "M" of the Merchant Shipping Consolidation Ordinance No. 10 of 1899 and its relation to the control of nuisances caused by the unnecessary blowing of steam whistles in the harbour.

My Committee would be glad to know in what particular you would suggest the existing regulations should be amended in order that they should not interfere with the ordinary precautions considered to be desirable by Masters in the navigation of the harbour.

I should be glad to hear if you would be good enough to act on behalf of the Chamber of Commerce in this respect, and draft amending regulations to take the place of the unworkable sections referred to in your letter.—I have, &c.,

E. A. M. WILLIAMS,

Secretary.

Messrs. Deacon, Looker and Deacon.

TRADE MARKS BILL.

The Secretary submitted the following report of the Sub-Committee appointed at the last Meeting to consider the Bill:—

Recommendations of the Sub-Committee appointed by the Hongkong General Chamber of Commerce regarding the new Trade Marks Ordinance.

A.—As regards Clause 35 p. 6 "Non-user of Trade Mark." It is proposed that the time limit be abolished altogether, as a ticket once registered should be the property of the Registered owner for all time.

B.—As regards Clause 39 p. 7. The Sub-Committee uphold the position taken up by the Committee of the Chamber of Commerce in their letter to the Colonial Secretary dated 23rd October 1908, to the effect that "Registration does not confer a right. Rights are conferred by usage. Registration is only one of a number of safe-guards to such rights."

C.—Rule 28 p. 12. "Hearings." "Three months" to read "six months."

D.—Rule 33 Opposition to Registration p. 13. "Three months" to read "Six months."

Rule 34 Counter Statement p. 13. "One month" to read "Three months."

Hongkong, 31st July, 1909.

The Sub-Committee's recommendations were unanimously adopted and it was decided to forward them to the Government.

The Chairman, on behalf of the Committee, expressed his thanks to the gentlemen who sat on the Sub-Committee.

PATENTS ORDINANCE 1892.

The Government forwarded for the consideration of Committee a copy of a Bill entitled an 1892, Ordinance to amend the Patents Ordinance which has been read a first and second time by the Legislative Council of this Colony, together with a copy of a letter from the Hongkong Law Society dated the 6th instant and a copy of a Memorandum dated the 12th instant by the Crown Solicitor, whose suggestions are acceptable to the Law Society. His Excellency the Governor inquired whether your Committee concurred in these amendments.

A reply was returned that the Committee saw nothing to object to in the amendments covered by the Ordinance as altered by the Law Society.

A Tonkin contemporary urges the Government to financially assist prospectors in exploiting the mineral resources of the province.

THE LARGEST MOTOR LAUNCH IN THE EAST.

THE TRIAL OF THE "TIEN MA."

At the invitation of Mr. J. W. Kew a number of local residents on Saturday had the pleasure of taking a trial trip on the motor boat *Tien Ma*, the largest vessel of its class in the East, and designed for the river trade between Wuchow and Nanning. Shortly after five o'clock the engines were set in motion and the *Tien Ma* started on her trial run past Chinwan, round Chungue Island, through the Mahwan passage and back to port. It was a new experience to many on board to travel by a motor boat, but the behaviour of the craft throughout the trip impressed them that it was not an unpleasant one, for in addition to the comfort found in well appointed launches, the *Tien Ma* travels at a speed which few, if any, steam launches in the Colony could maintain for more than a few knots.

The new vessel, which is hollow sterned, has a length of 74 feet and a beam of 14½ feet. Her draught, when fully loaded with 25 tons of cargo and 125 passengers, is 2½ feet. The boat has a 100 B.H.P. six cylinder Gardner engine installed, each cylinder being eight inches in diameter and having a nine-inch stroke. The engine takes ordinary kerosene as fuel, has low tension magneto ignition, forced lubrication, patent governor and reversing gear, while the vessel is fitted with a solid four blade bronze propeller and self-starter. The fuel consumption is 7 pints per B.H.P. per hour, which is the acme of economy. The engine starts off magnetos, no batteries being required.

This is the fourth boat built for the Wuchow-Nanning run, and a fifth is now on the stocks. All the vessels are fitted with Gardner engines, for which Messrs. J. W. Kew and Co. are the sole agents for China and the Philippines, and an idea of their strength, durability, excellence of design and reliability can be gauged from the fact that the boats now on the run average about 26,000 miles a year without having to come to Hongkong for repairs. The *Tien Ma* has an average speed of ten knots. The hull was built under the supervision of Mr. Banker, at Wuchow, while the engine was installed by the Hongkong Dock Company under the supervision of Mr. J. Kew.

On the vessel's arrival in port she was made fast to Queen's Statue Wharf, where

Mr. D. MACDONALD returned thanks on behalf of the guests. He said he thought they would be wanting in gratitude if they failed to express their appreciation of the very pleasant trip they had had on the trial, and to wish future success to the *Tien Ma*. Her owners, Messrs. Kew and Banker, were the pioneers of the upper West River, for they had not only made travelling easy but also comfortable and rapid for the public who visited that part of the country. He had no doubt that with such facilities many in the near future would make a trip to Nanning, and he hoped that numbers would find it convenient to travel by the *Tien Ma*. (Hear, hear.) The distance from Wuchow to Nanning was something like 370 miles and about three years ago it was a question of weeks to make that voyage. Now it could be accomplished in six days by the vessels of Messrs. Kew and Banker.

Mr. KEW, in responding, said—Gentlemen, —For the good wishes so kindly expressed by Mr. Macdonald for the success of the *Tien Ma* I desire, on behalf of the owners and myself, to tender you all our best thanks for your presence here to-day. It is not often that trips of motor boats take place in Hongkong, nor in the Far East for that matter, especially in craft of such large dimensions as this one. But although I do not wish to take on the mantle of a prophet, I am of opinion that in the near future such trials will be, if not an everyday occurrence, at least very frequent. Great hopes have been expressed on all sides of the opening up of China by railroads, and with its magnificent system of waterways I predict that the motor boat will do its share in this direction. Steam-boats can navigate China's great rivers, but the ubiquitous motor boat of shallow draught, burning kerosene as fuel, can penetrate beyond the limits of steam navigation. As kerosene can be bought all over China, in

fact in places where coal cannot, there is a great future for this type of vessel. In Canton there are scores, mostly pleasure boats of small size—burning gasoline. It is true—but when the advantages of larger craft for commercial purposes are appreciated the demand is certain to increase by leaps and bounds. As a marine engineer, I at first, in common with the majority of my cloth, had a prejudice against the motor, which appeared to be more of a toy than a seriously useful engine. It was all right in a small boat to afford a few hours' pleasure and, incidentally, many an hour's vexation, toil, and ruffled temper when it down. But after about 10 years' experience with internal combustion engines I have no hesitation in pinning my faith on their future. There are motors and motors, stationary and marine. The former always give satisfaction because they perform their functions under almost uniform conditions. But with the marine engine, which is called upon to bear all sorts of unexpected strains, the chief of which is the varying load it has to carry by reason of the different speeds at which it is run, it requires to be reliable, well designed, and substantially built, or trouble is bound to ensue. That the Gardner possesses all of these desirable qualities is amply evidenced by the fact that the three sister ships to this, in which are installed Gardner kerosene engines, motor some 26,000 miles a year without ever failing. The *Tien Ma* may not be a "thing of beauty," but she has been designed for more serious work than show. With her three sister boats already on the run she will be a boon to the Chinese, from the high official to the humble farmer, travelling between Wuchow and Nanning. Where formerly it took weeks to cover the journey it now takes but six to seven days, and the increased comfort afforded native junks needs no description. Merchandise, too, reaches its market in a third of the time formerly occupied, and merchants much appreciate the accelerated service. The boat, as you will see, is far more substantially built than would appear to be necessary. But the navigation of the river is not all plain sailing and the boats have many a narrow escape in the vicinity of the rapids. Mr. Banker, as the pioneer of this service, merits all praise, as it is due to his pertinacity and perseverance in overcoming thousands of difficulties that these boats continue on the run. Most other men would have retired in the face of the almost insuperable trials and obstacles he experienced for the first year or two, not to mention the pecuniary losses involved. But he had faith, stuck to his guns and worked hard, and this boat which you all have seen run so well to-day, is but another proof of his pluck and perseverance. Gentlemen, let me again thank you for the pleasure your presence has given us and for your good wishes, which I hope will be fully realised. (Applause.)

Other toasts were honoured, and the party dispersed after raising cheers to the owners and all connected with the successful launching of the craft.

CAPTAIN OF S.S. "PERSIA" FINED.

Before Lieut. C. W. Beckwith, R.N., at the Marine Magistrate's Court on Aug. 9 the master of the s.s. *Persia* was proceeded against by Mr. A. E. Davey, Chief Boarding Officer, for failing to enter his ship at the Harbour Office within 24 hours after arrival. Defendant stated that he had been at Whampoa for sometime and when he first arrived there had deposited the ship's articles, register and clearance at the British Consulate, Canton. When leaving he was assured that the ship's papers were certain to be sent here by mail. His Worship exonerated the defendant from personal blame, but imposed a nominal fine of \$25.

The Supreme Court of the Philippine Islands has approved the deportation of Ly Chuan, a Chinaman convicted for the third time of the illegal use of opium. It was shown in the trial that he not only used the drug for himself but that he traded in it and the fact that he was "an exploiter of the vice" was taken into consideration by the supreme tribunal in sustaining the sentence of the lower court.

CHARGES AGAINST SHIP'S OFFICERS.

MARINE COURT OF INQUIRY.

MATE'S CERTIFICATE SUSPENDED FOR TWO YEARS.

A Marine Court to inquire into charges of misconduct on the part of the master and mate of the British steamer *Shiu On* assembled at the Harbour Office on Aug. 10. Lieut. Beckwith, R.N., Acting Harbour-Master, presided, and the Court was composed of Lieut. Henry Butterworth, R.N., of the *Tamar*; Capt. P. H. Rolfe, Master of the British steamer *Yuen Sang*; Capt. A. R. W. Hodgins, Master of the British steamer *Haiyang*; and Capt. C. V. Lloyd, Master of the British steamer *Fatshan*.

At the outset the President read the notes of evidence taken by the Marine Magistrate when the hearing of a charge preferred by Alexander Seaton, the master of the steamer, against William James O'Hanlon, the mate, of disorderly conduct came before the Court. On the strength of this the Harbour-Master applied to the Governor for a Court of Inquiry, and His Excellency's warrant for holding the Court was afterwards read.

Mr. Shenton, from the office of Messrs. Deacon, Looker and Deacon, appeared for the master, the mate not being legally represented.

In reply to Mr. Shenton, the President indicated that they would proceed with the charges against the mate first.

Mr. Shenton stated that the charges preferred against the mate were disregarding and refusing to obey the lawful orders of the master, drunkenness while on duty, and conduct prejudicial to good order and discipline on board. At present they were only dealing with of the charges of gross misconduct and drunkenness.

Alexander Nelson Seaton, the master of the *Shiu On*, then went into the witness-box. He stated that he had been thirty-two years at sea, and not once during that period had there been any question as to his conduct. The crew of the *Shiu On* numbered 50, there being three European officers, the captain, the mate and the chief engineer. On the night of July 19th when on the voyage from Kongmoon to Hongkong there were about 250 passengers on board. They stopped at Wongmoon for the customs examination and left again shortly after five o'clock.

What in your opinion was Hanlon's condition up to that time?—He looked as if he had been drinking.

The President—Was he flushed?—Yes.

What was peculiar about him?—He was very sarcastic.

Very sarcastic?—In other words he snubbed me.

You did not think he was incapable then?—I did not. I was in my room about an hour when we overtook the *Shun Lee* and I stood in my doorway to see how we would get on.

The President—How get on?—To see that there was no racing neck and neck.

What happened?—The pilot slowed down, according to my orders, and let the *Shun Lee* get ahead. Mr. Hanlon commenced to make sarcastic remarks about the pilot slowing down. Some time later when I came on deck the chief officer used very abusive language towards me.

What did he say?—He used all the language in the sailor's vocabulary.

In your opinion what was his condition then?—He was drunk. No man in his senses would use such language to his chief officer.

What was your opinion about his being able to carry on the ship?—I ordered him off the bridge because I did not think he was in a fit condition to take charge.

What did he say then?—He said he would see me in — first. He would not go to his room, but remained on deck and abused me.

About this time did you say anything to the pilot anchoring at Wongmoon?—Yes, I gave him orders to anchor there and wait for the upcoming steamer.

Was the mate present?—He was.

What did he say?—He still abused me. He followed me from one side to the other.

This continued until you got to Wongmoon?—Yes.

What happened at Wongmoon?—He told the pilot not to anchor, and made sneering remarks about me.

Did you again order the mate to his room?—I ordered him half a dozen times.

How long did you remain on the bridge after you anchored?—I turned in then.

Witness added that the mate followed him to his room and continued to abuse him, saying that he would "do" for him. The mate went in and out from his cabin to the bridge until two o'clock. Then he remained in his cabin till seven in the morning. They left Wongmoon at 5.30 a.m. At seven o'clock the mate came out and commenced abusing witness, who was on the bridge then.

Did this continued abuse impede you in your duty as master?—It did not impede me in my duty on the ship.

But it annoyed you?—Yes.

What was the condition of this man at 7 a.m.?—He had sobered up.

What happened when you reached Hongkong?—He went ashore immediately the ship was made fast.

The President—Is it customary for the chief officer to ask your leave before he goes?—No.

In reply to Mr. Shenton, witness said that when his duties were done the mate could go ashore. The mate came back about noon "under the influence."

What made you think so?—His actions. He was creating a disturbance on the wharf.

Examination continued—He came on board and used abusive language to the assistant manager and the comprador. Hanlon became so threatening after tiffin that witness came to the Harbour Office for protection. He was advised to get rid of the mate, to discharge him. Ultimately the mate was removed from the ship by the Water Police.

The President—Who gave the order?—I believe you did, sir.

The President—Well, I want you to tell me.

Examination continued—He was very excited when the Water Police took him away. It was possible to have drinks brought up to the bridge when on duty there by calling the boy.

By the Court—The steward runs the bar, but that was for the passengers. The officers could have as many drinks as they wished. He had power to stop it, but he did not do so because the mate seemed all right when they left. He had never been abused before.

Capt. Rolfe—Is it usual for the officer of the watch to have drinks on the bridge when on watch?—Not when on watch.

Capt. Lloyd—What steps did you take with regard to stopping the chief officer's liquor after you saw his condition at Wongmoon?—I told the boy to let him have no more.

The President—Is this officer signed off?—Yes.

Capt. Hodgins—Was this the first complaint against this officer?—No, sir.

The President—How long has he been with you?—From 16th June to 20th July.

The President—How long do you keep your chief officers?—Year in and year out if they behave themselves.

How long did the last one stay?—Three weeks.

And the previous one?—Two weeks.

How is that "year in and year out"?—The one before stayed six months.

Where did you get this man?—In the Sailors' Home.

Cross-examined by the Chief Officer—He did not read the official log to him on board the ship because he was too abusive.

Does that mean you thought he would hit you?—Yes.

Witness did not enter it in the log at the time because he thought Hanlon would be all right again, and he did not wish to get the man into trouble.

Could you write your name on July 18th and 19th?—I don't understand the question.

The President—Answer yes or no?—Yes.

The Mate—You say you were on the bridge when the *Shun Lee* passed?—Yes, I did not give any orders then to slow down as I had previously given instructions to the pilot.

Did you see the typhoon signals up on leaving Kongmoon?—I did.

Leaving Hongkong on the 18th, why was the ship kept waiting half an hour for you?—I told them the time I would sail.

The President—Did she wait thirty minutes?—She did not; she sailed at the appointed time.

The Mate—Did nobody go up to your house to call you during the afternoon?—Yes, but I could not understand why. I was out then.

What state were you in when you came down on Sunday evening about six p.m.?—The same as I am now—in my ordinary condition.

Had the ship left Hongkong several times without your being on the bridge?

The President—That has nothing to do with this case.

John Barr, engineer on the *Shiu On* said that the mate was on the bridge from 8.30 till they reached Wongmoon. He thought Hanlon was under the influence of drink, but was not incapable. On the voyage from Wongmoon to Hongkong the Captain was sober and gave no provocation to the man to abuse him.

Capt. Lloyd—Did you hear the mate criticising the action of the master during the time they were at anchor?—No.

The President—Has there been any friction between the master and the mate before this?—No.

Was there any delay in sailing on the 18th July?—No.

Did you see the master when he arrived on board that night?—Yes.

Was he sober?—Yes.

Anybody can get drinks on board?—Yes.

Officers and passengers can get liquor at any hour by sending down for it?—Yes.

You say the chief officer was under the influence of liquor when you were at anchor at Wongmoon?—Yes.

Would you say he was quite safe to go on the bridge?—Yes.

He was just a bit cheerful, eh?—Yes.

You would have perfect confidence in turning in when the chief officer was in this state?—Yes. He was not sufficiently under the influence of liquor to be untrustworthy.

I take it these boats are largely navigated by the pilot?—What do you mean?

You have a pilot on board?—Yes.

And he takes charge during the intricate navigation?—I don't know.

There is a difference between a man taking nominal charge and complete charge? Would you say the chief officer was capable of handling any ship from the bridge point of view?—Yes.

The Secretary of the *Shiu On* Company spoke to Hanlon creating a disturbance on the steamer at the wharf on July 2th, and to calling witness a coolie.

The pilot on the *Shiu On* said he saw the mate on the bridge on the occasion stated. He was "away from his hands and legs," by which witness meant that the mate was under the influence of liquor. Witness also spoke as to the master and the mate having a quarrel. The captain told witness to anchor at Wongmoon and the mate told him to go straight on to Hongkong. Witness said he saw the mate threaten the captain, and heard him speak loudly to the captain. As far as witness knew the master was sober all the voyage.

The quartermaster also testified to seeing a quarrel between the master and the mate after leaving Kongmoon. He also declared that the captain was sober during the voyage.

Another Chinese member of the crew said the mate was insolent to the Captain and followed him about the ship. In his opinion the mate was drunk on that occasion and the captain was sober throughout the voyage.

The mate then gave evidence on his own behalf. He said the *Shiu On* left Kongmoon at twenty minutes to six, and the Captain did not come on deck again until they were anchored at Wongmoon.

The President—Have you any reason to suggest why he was not on deck?—He was under the influence of liquor.

Have you got any witnesses to that effect?—No.

You have no one?—No.

No one to substantiate it?—No.

The President—Do you consider it is any use making a statement you cannot substantiate? I should advise you to withdraw it. There is no object in making a statement you cannot substantiate.

The statement made by witness before the Marine Magistrate was read.

The President—Have you anything further to say?—Not much except that I swear that we waited half an hour for the captain that night. Anything else?—The master went straight to his cabin. At two o'clock I found him in the messroom.

There was no reason why he shouldn't be there?—It was his watch.

Was the ship under weigh?—Yes.

The captain was then recalled. He said that after coming on board on the 18th July, the comrade came to him and complained that the chief officer had thrown two baskets of passengers' luggage overboard while the ship was at the wharf. The articles were recovered. He asked the mate what he meant by it.

The ship's comrade deposed to the mate throwing overboard some passengers' luggage while the *Shiu On* was at the wharf on July 18th. He did not report it to the captain.

The engineer, recalled, said he did not see the mate throwing luggage overboard. Cross-examined. He heard it spoken about on board.

The Court was cleared and considered in camera its finding, which was afterwards read in open Court as follows:—

We find the charges made by the master, Alexander Nelson Seaton against William James O'Hanlon, first mate, proved—that you were drunk on duty during the 18th and 19th July, and that during that time your conduct was prejudicial to good order and discipline and mutinous. Further that the charges made by you against the master were unsubstantiated and therefore vexatious. This Court therefore orders your certificate to be suspended for two years. Given under our hands, Victoria, Hongkong, this tenth day of August, 1909, Charles W. Beckwith, Lieut. R.N., President of the Marine Magistrate's Court; Henry Butterworth, Lieutenant R.N.; Chas. V. Lloyd, master s.s. *Fatshan*; Percy H. Rolfe, Younger Brother of Trinity House.

THE SCOTCH OATH.

Some amusement was created at the Marine Court on Aug. 10 during the course of the inquiry into charges of misconduct preferred against the master and mate of the *Shiu On*. When the engineer entered the witness-box Mr. Shenton suggested that as the witness was Scotch he might prefer to be sworn in the Scotch fashion. The engineer nonchalantly replied that he did not mind, whereupon a Court official repeated the English form of oath while witness held up his hand. Mr. Shenton, however, was dissatisfied. He said the witness should repeat the oath after the official administering it and hold up his hand. The President then asked if the witness should hold up both hands, a question which provoked a smile, and Mr. Shenton having returned an answer in the negative, the President directed that the man should be re-sworn. There did not appear to be any difference from the previous attempt, but Mr. Shenton said he was satisfied, and the examination of the witness was proceeded with. The Scotch form is altogether different from the English, and runs something like the following: "I swear, as I shall answer to God at the great day of judgment, that I will tell the truth the whole truth, and nothing but the truth."

ROBBERY IN CHANCERY LANE.

A daring robbery is reported to the police as having occurred in Chancery Lane on Friday last, a Chinese woman falling victim to a desperate gang of thieves. As she was walking along the thoroughfare a coolie snatched her umbrella and dashed into the passage way of a ground floor house. The woman gave chase, but no sooner had she got within the door than it was locked, and she was seized by two other men. One seized her by her throat, while another gagged her. The thieves then proceeded to strip her of her jewellery, which she valued at \$373, after which they made good their escape. The woman was later found lying at the foot of the stairs in a semi-conscious condition by one of the inmates.

The health of H.E. Chang Chih Tung is reported in the Peking papers to be causing considerable anxiety.

CHARGE AGAINST A SOLDIER.

WHEN DRUNKENNESS IS AN EXCUSE.

Gunner H. E. Stewart was charged at the Magistracy on Aug. 11 with stealing a bottle of whisky, value \$1.70, from Yee Yuen's comrade shop, 107, Queen's Road East, on the 8th inst.

The accountant in the firm said the defendant entered the shop on Sunday night, and after looking at the case of wines and spirits he took out a bottle of whisky and asked witness "how much?" Witness told him that the price was \$1.70, but defendant without saying anything more walked out with the bottle. Witness sent a foki after him to ask for the money. Witness heard him say "pay bottle whisky," but defendant did not pay, whereupon witness went to him and asked him for the bottle of whisky. Defendant, however, declined to give it to him. He did not say anything, but simply stood where he was. Witness called a constable, who asked what was the matter. Defendant said he had bought a bottle of whisky, but witness said that defendant had no money with which to pay him and asked the constable to get back the bottle. The constable spoke to the defendant, who said that he wanted to drink it. Defendant had evidently been drinking.

The foki gave corroborative evidence. He said that he "chased" the defendant to the next shop.

P. C. Glendinning said that defendant appeared to have been drinking, but he did not seem very drunk. Defendant told him that he lived in the district where that whisky was made, and knowing that it was good he wanted it.

His Lordship remarked that it was strange that the defendant should have taken the whisky knowing that he would have been arrested.

Inspector Kerr said that when he saw defendant in the charge room he thought he was very drunk, but when he went away with the military escort he straightened up.

Defendant said he was so drunk he did not remember anything about it. He did not recollect going into the shop, but he remembered having the whisky.

How much did you drink that afternoon?—Couldn't tell. I had been out all the afternoon.

Bombardier. Owen, a member of the escort, said defendant was drunk when he was taken from the Police Station.

His Worship said this case raised the difficult question of how far drunkenness was to be taken into consideration in respect of a crime. The rough and ready rule was that drunkenness was not to be taken into consideration, that it was no excuse, but in certain crimes the intention was a condition precedent to the crime being committed, and one ought to take into consideration the fact whether the defendant committed a certain crime with a certain intention. His Worship, after referring to certain decisions to show that it was the duty of the prosecution in certain cases to establish felonious intent, said that in this case the evidence was very clear. The prosecution had not satisfied him that there was felonious intent on the part of the defendant in taking that bottle of whisky, and he would, therefore, be discharged.

STEAMER CAPTAIN CAUTIONED.

At the Marine Court on Aug. 12 before Lieut. Beckwith, R.N., Acting Harbour Master, Captain Willoughby, of the Government steam launch *Stanley*, charged Captain Seaton, of the s.s. *Shiu On*, with failing to observe the regulations for preventing collisions at sea.

Complainant stated that on August 8th, at about 7 p.m., while proceeding down the central fairway from west to east he noticed the *Shiu On* moving through the junk anchorage. Witness was on the starboard side of the central fairway, but he ported his helm and gave one short blast on his whistle. The *Shiu On*, just entering the fairway, gave a short blast, but did not alter her helm. Witness then put his launch full speed astern, giving three blasts on his whistle, and just cleared the *Shiu On*, but came on top of the junks.

Defendant said he was going through the southern channel, but could not get through owing to the junks, so he came through the junks. He ported his helm when he gave a

blast, but was so close to the junks that he could only give very little helm. When he heard the three whistles from the *Stanley* he went on.

His Worship dismissed the defendant with a severe caution, advising him to navigate through the junks at slow speed and to use the southern channel where practicable, also to try and realise the danger incurred in crossing the deep draught channel.

SEARCHING A STEAMER.

At the Magistracy on Aug. 12 four of the crew of the steamer *Cyclops* were placed before Mr. Hazeland on a charge of being in possession of opium. It appears that on Wednesday Sergt. Wilson and a party of nine excise officers went on board the steamer to search for opium, and while the sergeant went to look for the chief officer he was called to the tallyman's cabin, where he found the four defendants and two excise officers. Opium had been discovered and the defendants had thrown it out of the porthole and afterwards assaulted the officers. His Worship convicted the defendants and imposed a fine of ten dollars each.

On the conclusion of the case the captain of the *Cyclops* complained that violence was used in arresting the men, and as stated by Sergt. Wilson the captain disputed the authority of the sergeant to search the ship. His Worship replied that even if the captain was not aware of the port regulations it was reasonable for him to assume that a police officer in uniform would not be on board a ship searching without authority. Mr. Hoggarth, excise officer, asked the captain if his ship had never been searched for opium before, and the captain admitted that it had been searched in other ports but not in Hongkong.

Another member of the crew was fined \$45 or one month's imprisonment for having been in possession of a quantity of opium.

DEATH OF MR. ERICH GEORG.

In the death of Mr. Erich Georg, the well-known sharebroker, which took place at his residence on Wednesday, Hongkong has lost a widely-respected resident of nearly forty years standing. He came out to Hongkong as an assistant in the firm of Messrs. Siemssen and Co., after the close of the Franco-German war, in which he took part and gained the highly-valued distinction of the Iron Cross (first class) for bravery on the field of battle. Mr. Georg remained in the service of Messrs. Siemssen and Company for about ten years, and then commenced business in partnership with a Mr. C. C. Cohen as a share and general broker, the firm name being Cohen and Georg. This partnership lasted for more than twelve years, and in 1894 Mr. Georg started on his own account, and established a good connection. During the past twelve months Mr. Georg had been in an indifferent state of health. About three weeks ago he took to his bed and gradually sank. The news of his death will be received with deep regret not only in Hongkong but in the coast ports, where his business connections had made him well and favourably known. He was a man of the strictest integrity, and the high estimation in which he has ever been held by the German community is evidenced by the fact that he had on several occasions been President of the Club Germania. He was also a prominent Freemason.

The funeral took place at the Protestant Cemetery at the Happy Valley on the 12th inst., and was attended by a number of members of the mercantile community, both British and German sections being well represented. The cortege was met at the Monument by the mourners, who followed the remains to their last resting place. A brief but impressive service was conducted at the graveside by the Rev. Mr. Leuschner, acting chief pastor of the Berlin Mission.

The mourners included Dr. Voretasch, (German Consul), Mr. von Wiser (Austrian Consul), Sir Paul Chater, Messrs. E. J. Hughes, T. Hough, W. Clarke, T. I. Rose, Schwartz W. Helms, W. Nielsen, N. A. Siebs, G. Engel, H. Brodersen, Melchers, Jebson, A. Koehn, K. Detmers, C. R. Lenzmann, Bandow, F. Schwarzkopf, J. C. Kitzmantl, C. Schroter and others.

SUPREME COURT.

Friday, 6th August.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. H. H. J.
GOMPERTZ (PUISNE JUDGE).

NOT LEGAL TENDER.

In an action at the instance of Fung Chun Yuen against Tsang Lai for \$166.72, Mr. Atkinson, of Messrs. Deacon, Looker and Deacon, who appeared for the plaintiff, stated that ten 10-dollar Chinese notes had been paid into Court as part payment. That was not legal tender. It only amounted to \$92, which his client could not accept as the equivalent of \$100.

His Lordship—I suppose they are at a discount? Are they Kwantung notes?

Mr. Atkinson—Yes. If your Lordship will make an order we will accept them for what they are worth, less discount, and ask for judgment with costs.

His Lordship—The claim does not appear to be admitted.

Mr. Atkinson—I think she admits the claim. She paid the rent previously in subsidiary coin.

His Lordship—It may be that the contract was for payment in subsidiary coin.

Mr. Atkinson—The witness will show it was not.

His Lordship—Better prove your case.

The case having been proved, his Lordship gave judgment for the amount claimed, less the value of the \$100 Chinese money paid in, with costs.

Defendant—I am not willing to pay costs.

DROPPED OR NOT?

An interesting situation developed in the case set down for hearing in which O. E. Owen sued C. E. Shields for \$60 for board and residence due on a contract. Mr. Hett, of Messrs. Brutton and Hett, appeared for Mr. Owen, and Mr. J. H. Gardiner appeared for the defendant.

His Lordship—Isn't the case settled?

Mr. Hett—We are rather at a deadlock. I sent this morning for my client, who had previously written me a letter, but I have not heard from him. The letter says: "Kindly drop the case between me and Shields until I see you later and explain. All the telegraph office boys (that does not mean office boys, but the Eastern Telegraph Extension men) who are staying at the Carlton Hotel have given me notice that unless I drop the case against Shields they will leave the hotel and stay somewhere else." On receiving that I concluded that the case was settled, but this morning when I heard that my friend insisted on coming into Court I sent for Mr. Owen, who was not in. His bookkeeper, however, said that he had settled the matter with Mr. Gardiner. Mr. Gardiner said there had been some conversation, but he did not understand it as a settlement. I am not in a position to go on and I shall ask for an adjournment.

Mr. Gardiner said Mr. Owen came to him a few days ago and said he thought it was advisable owing to certain facts to withdraw the case. I said—Very well. Perhaps it would be wise. I told him he had better see his solicitors and if he wished the case withdrawn they could do it. I understood until this morning that the case was settled, but Mr. Hind (from the office of Messrs. Brutton and Hett) said he was going on. There was no mention then of withdrawal.

Mr. Hett—I understand that Mr. Gardiner proposes to go on this afternoon.

His Lordship—Mr. Gardiner said he would be here as the case was fixed for this afternoon.

Mr. Hett—It was my intention to take the case myself, but it was not until Mr. Hind returned from Court this morning that I knew it was fixed for this afternoon.

His Lordship—I did not know it was fixed for this afternoon.

Mr. Gardiner—I have a note to that effect. My friend has endorsed it as well.

Mr. Hett said that was so.

Mr. Hett—It was not necessary for my friend to appear in the circumstances. I cannot consent to a withdrawal until I receive instructions. I do not object to paying my friend's costs for to-day if your Lordship finds I am at fault.

His Lordship—I think I had better put it in next Friday's list. I think Mr. Gardiner should have his costs.

Mr. Hett asked that the question of costs be reserved.

His Lordship—I can settle that afterwards. There seems to be a general misunderstanding.

Mr. Gardiner—The plaintiff appears to have made up his mind to withdraw from the case from what he said to me and from the letter which he has written.

Mr. Hett—It may be he means it to be dropped. Then the mistake is mine and I must bear the expense.

His Lordship—Yes.

The case was adjourned as stated.

Monday, 9th August

IN ORIGINAL JURISDICTION.

BEFORE THE FULL COURT.

HONGKONG MILLING COMPANY V. ARNHOLD,
KARBERG & CO.

The action was resumed in which the Hongkong Milling Company, of which Mr. H. Percy Smith is liquidator, claimed \$100,000 from Arnhold, Karberg and Co. for damages, for alleged failure to supply an ice-making plant according to stated requirements. Sir Henry Berkeley, K.C., and Mr. M. W. Slade, instructed by Mr. John Hastings, appeared for plaintiffs, defendants being represented by Mr. MacNeil, from Shanghai, and Mr. G. C. Alabaster, instructed by Mr. H. W. Looker, of Messrs. Deacon, Looker and Deacon.

Mr. MacNeil said he was prepared to put in certain letters which their Lordships said should be produced, excepting one written after the date of the writ. They had since then received other letters, some of which related to correspondence with Borsig. These letters he was prepared to produce at once, but as translations had only just been received he asked to be allowed time to read them. There was another matter he wished to mention, in which both sides felt there ought to be a decision. That was in relation to certain correspondence held by the plaintiffs which passed with Mr. Rennie with regard to the ice plant. That correspondence plaintiffs were unwilling to produce on the ground that it was not material.

Mr. Slade said he had not said it was not material, but said it was inconvenient.

Mr. MacNeil said it must be material to Mr. Rennie's knowledge as to the different ice plants which could be obtained. On those grounds they wished the decision of their Lordships on the point.

Mr. Slade said they were perfectly willing to produce the letter if it was considered material, but it seemed to him to be absolutely immaterial, because Mr. Rennie, long before this contract was entered into, was asking for tenders from various ice manufacturers other than the defendants. The question at issue, it seemed to him, was whether or not the defendants had fulfilled their contract. If they had, they were entitled to a verdict. If they had not, the plaintiffs were entitled to a verdict, and whatever the claims and pretensions of other manufacturers with regard to their ice plants might be, it seemed to him entirely immaterial.

The Chief Justice thought that the letters should be put in.

The Puisne Judge said he did not at present see how the letters would be material, although he was not prepared to differ.

Mr. Slade agreed to produce the correspondence.

Evidence was then called.

Mr. G. K. Haxton said he was an engineer and manager of the Hongkong Ice Co., which manufactured ice entirely on the plate system. In ice so made there was no core, and the sizes of the pieces as they came from the machine were six feet long, six feet deep and nine inches wide. Each piece weighed 1,600 lb. The pieces of ice were clear throughout, and if a plate was put up on edge with an object on the other side, that object could be seen through it. There were occasionally air holes found in one corner of the Company's blocks of ice, but about fifty per cent. of the blocks were nearly free. From a commercial point of view the transparency of

ice was important. Witness had been engaged at the Ice Company's works about two years, and carried on the system of making ice he found in vogue when he started. Since he had been manager the same clearness had been maintained. Witness knew the terms of the contract between the Hongkong Milling Co. and Messrs. Jardine, Matheson & Co. with regard to the latter purchasing the surplus ice of the former company. On June 23rd witness took a block of the Hongkong Ice Company's ice to the Milling Co. for comparison with the latter company's ice. The ice which the Milling Company showed him did not come up to the warranty, as it was not so hard as the Ice Company's commodity and there were many air holes in blocks. A core was composed mostly of unexpelled air, and was porous; it was also quite opaque. It was not possible to look through the Milling Company's ice in the same way as could be done with the ice of the Hongkong Company. Another defect in the Milling Company's ice was that it melted quicker, and this he attributed to the core and the airholes. After exposure to the air for a time the core melted and left a hole right through the ice. In witness's opinion the ice of the Milling Co. was not saleable at the same price as that of the Hongkong Ice Co., as it was of an inferior quality.

In cross-examination witness said that if the Milling Company's ice was put on the market at the same time as that of the Ice Co., sales might succeed. Previous to joining the Ice Co., in February, 1907, witness had not been engaged in the manufacture of ice. He had not been engaged in any firm which made machinery for the manufacture of ice, but he had been engaged in trial runnings of ice machinery. This was when he was an apprentice in Edinburgh. When witness attended test runs he had seen ice made. Witness knew of the fact of a contract being contemplated between the Milling Co. and Jardine, Matheson and Co. before that contract was signed. He knew this because Mr. Rennie had approached the Ice Company's engineer, and subsequently Messrs. Jardine, Matheson and Co. consulted him and asked him whether the quantity of ice from the Milling Company would be sufficient. No mention was made to him of the particular way in which the ice to be supplied was going to be made. Then he heard of the contract having been made. Within the last few weeks the Ice Company had been putting a good deal more ice out, and now they were using the old as well as the new plant. The actual speed at which the operation of freezing was carried through was the same as before. A small proportion of the ice now being sold showed air bubbles, but a greater proportion than before the old plant was working. Just now the ice manufactured by the old plant in a good many cases had a white triangular band on the top about three inches long and one inch deep. That band was practically the same as the core in the ice of the Milling Co. but was quite avoidable, and was caused by putting more water in the ice boxes in order to get more ice. There were different ways of freezing plate ice than that adopted by the Hongkong Ice Co., but witness had not seen any of those systems in operation. Before the contract was made witness several times saw Mr. Rennie with regard to it. He then knew of can ice, but regarded plate ice as better, and if Mr. Rennie had told him the Milling Co. ice was can ice he would have mentioned the matter to Messrs. Jardine, Matheson and Co. Witness did not know that some people preferred can ice to plate ice, although he knew that the former was mostly used in America; that was because it was cheaper. He remembered Mr. Rennie asking permission to inspect the ice works. Witness referred him to the General Managers, who refused permission. In the month of May, 1908, witness inspected the ice works of the Milling Co., and reported the result of his visit to Mr. Ross. He visited the works on the day of a test run; he did not think that was unfair.

After the tiffin adjournment the cross-examination of Mr. Haxton was proceeded with. Witness was taken back to his conversation with Mr. Ross, and stated that at that time he had seen can ice on steamers which had been bought at coast ports. Witness had not seen can ice

made at Shanghai or Singapore. He formed the opinion that can ice was not as good as plate ice from the samples he had seen on board, and from what he had read in books. He had read that sometimes with special appliances can ice had not a core. Otherwise it was not as clear as plate ice. Witness would not say that the Milling Company's ice, apart from core and needles, was not as clear as that of the Ice Co.

Assuming this ice to be as clear as yours, and assuming it has a core, do you now consider yourself justified in saying that the ice is not as good as that of the Ice Company?—I would say it was not as good.

Now, Mr. Haxton, you came to the giving of this advice to Messrs. Jardine, Matheson with this in your mind, viz., that "Can ice generally has a core; this is going to be can ice; the only can ice I have seen was not as clear as the ice of my company" and it was with that in your mind you gave that opinion that the ice would not be as good, is that not so?—Yes.

While the witness was explaining his method of conducting a test of the ice of the two companies the Puisne Judge drew Mr. MacNeil's attention to his misunderstanding of an answer.

Mr. Slade—That's what I whispered to you. Mr. MacNeil—His Lordship the Puisne Judge has put me straight, and I'd sooner take it from him than from you, Mr. Slade.

Mr. Slade—Very well, I was only trying to keep you straight, but it is a rather difficult job. I will give it up in future.

Witness explained his method of conducting a series of tests with two blocks of ice, one from each company. The result of the test was in favour of the Ice Company, for when the Milling Company's block of 15 lbs. had melted, there was still remaining 1 lb. 3oz. of the Ice Company's block. A second test made with a 7lb. block of the Ice Co. and a 7½ lb. block of the Milling Co. ended in the latter melting when there were two ounces of the block of the Ice Co. left.

Mr. MacNeil stated that according to the most accurate tests the Milling Co.'s ice melted at the beginning slower than that of the Ice Co., but quicker at the end. (To witness)—You say that your ice, size for size, weighs a little heavier, now you have just said with regard to the second experiment that the ice was of the same size and shape, nevertheless the Milling Company's block was heavier. May I say that the Ice Company's ice is not always heavier?—It is always heavier.

The Puisne Judge—You did say your ice, size for size, was heavier?—Yes.

How do you explain it?—I think I must have been mistaken in one of the experiments.

Mr. MacNeil—Do you know how Messrs. Jardine, Matheson and Co. came to enter into this contract?—Yes.

Tell me—They wanted a larger supply of ice; in fact, had ordered a machine from England before this contract was entered into. When the proposal was made by the Milling Co. the contract for a new machine at home was cancelled and arrangements were made with the Milling Company.

If you had not arranged with the Milling Company that Company would have been competitors?—Quite likely.

As a matter of fact, if the Milling Company had sold ice without any arrangement with you, it would necessarily have an effect upon the Ice Co.?—By the amount they sold.

There was the possibility that the Milling Co., producing ice on their own account, might have been able to undersell the Ice Co. at the price they were then selling? They might.

As a matter of fact there is a competitor in the market just now is there not?—Yes.

That is the Oriental Brewery?—Yes.

At what price were you selling ice at the end of 1907?—1½ cents per pound.

What is the lowest price ice touched this year?—Half a cent.

Will you agree with me when I say that the reducing of the price was due to the competition of the Oriental Brewery? They were the means of reducing it.

Am I right in saying that the ice of another company has been offered you since?—Yes, and we refused to buy.

Are you drawing in your horns, so to speak, with regard to trying to get the ice business, or is the demand smaller than it was?—I'd rather not answer that.

Is the demand for ice larger or smaller than in 1908?—Larger.

In view of the increased demand I would like you to explain why, while you wanted ice last year, you don't want it this year?—We want it still.

And you've had already offered you the ice of another company?—Yes, but their price was too high.

Did they ask more than the Milling Co.?—Yes.

In re-examination witness stated that he had made the ice tests three hours after taking the two different blocks out of the cold storage. For those three hours the ice was left in the open air.

The case stands part heard.

Tuesday, 10th August.

Mr. Slade said it transpired from the document, copies of which were supplied on the previous day that the fitter Beyer, on the 25th June, 1908—that was two days after the trial—sent a report home to Mr. Borsig, the manufacturer of the machine, and Mr. Borsig had sent copies of this report to Messrs. Arnhold, Karberg and Co. The only claim for protection made in the affidavit was professional privilege.

Mr. MacNeil—That is not so, my Lords.

Mr. Slade said the right grounds for objection were either privileged communication or materials for evidence.

Mr. MacNeil—Materials for evidence is the ground we are objecting on.

Mr. Slade said the only possible ground on which this report could be privileged was that it was written for the purpose of this case. Their Lordships knew well that reports being made in the ordinary course of business were not privileged. This report was not made to Messrs. Arnhold, Karberg and Co., but was sent home to Mr. Borsig just at the time when this trouble arose.

The Chief Justice—You say it is in Arnhold, Karberg's possession because Mr. Borsig sent them a copy?

Mr. Slade—That is all. It contains materials on which I could cross-examine the defendants, but they object to produce it and have not even put it before your Lordships.

Mr. MacNeil—That is not fair. We promised your Lordships to produce all Borsig's correspondence.

The Chief Justice—We did not see the document.

Mr. Slade—This letter is as much part of Borsig's correspondence as any other part, and they refuse to produce it.

Mr. MacNeil said among the documents for which privilege was claimed were documents which were obtained in order to afford materials for evidence. Counsel quoted authorities in support of this contention and said it seemed to him perfectly clear that their Lordships must hold the document in question to be privileged inasmuch as the matter was to be placed in the hands of plaintiff's solicitor for the action.

Mr. Slade said this was not an accurate statement, as there was no threat of action at that time.

Mr. MacNeil said the statement was that his client should be held responsible. This report was not made to them, otherwise it should be disclosed. Mr. Feyer made the report to Mr. Borsig, and Messrs. Arnhold, Karberg and Company's Berlin house received the report from Mr. Borsig. There could not be the smallest doubt that the document was material for evidence and nothing else.

Mr. Slade did not know whether his friend's statement that the document was obtained by the Berlin house for the purpose of being submitted, was founded on instructions, but it was apparently entirely opposed to the wording of the letter of August 12th in which the report was first received. It was, he submitted, perfectly clear from that that it was voluntarily sent by Mr. Borsig to excuse himself from possible claims on the part of Arnhold, Karberg & Co. against him, and not for in any way assisting Arnhold, Karberg & Co. in the way of evidence.

The Chief Justice—He mentions difficulties with Beyer.

Mr. Slade—Because difficulties were raised with Beyer, that does not necessarily make everything privileged.

The Chief Justice—Here is a firm in Berlin which understand that their branch house in Hongkong is threatened with proceedings, and they send them a report from Borsig.

Mr. Slade—Arnhold, Karberg and Company in Berlin, and Arnhold, Karberg and Company in Hongkong are the same firm, and the report has been received by them. The report did not come into existence for the purpose of being used as evidence.

The Chief Justice announced that the Court thought the document was not privileged.

Mr. Haxton was then recalled for re-examination by Mr. Slade and gave evidence regarding a third test he made. The temperature of the ice of both companies was 18 degrees, and each piece, which weighed 8 lbs., was as similar as possible in shape. When the Milling Company's block of ice had melted, there remained of the Ice Company's block 7½ ounces. In each case the piece of ice used as a test was taken from as near the centre of a block as possible. The first test he made was 7.9 per cent. in favour of the Ice Company, the second 5.3, the third 5.85 and the mean 6.35 per cent. The quantity of ice to be supplied by the Milling to the Ice Company was 6,300 tons per annum, the percentage of loss on this at 6.35 being 400 tons. The loss at a cent per pound on this would be \$8,960. In the machinery supplied at Junk Bay there was no special apparatus for removing the core from can ice.

Mr. Slade said he did not wish to go into the question of machinery at this point unless driven to it. He had not dealt with the question of process or the question of machinery at all because it seemed to him immaterial. This was purely and simply a question of saving time.

Mr. MacNeil said he was quite agreeable to that. They said in the pleadings that given considerable opportunity their plant would have made ice quite up to the warranty. The plant was a proper plant for producing proper ice.

The Court decided that questions of machinery should be postponed until the question arose.

Mr. MacNeil suggested that the Court should ascertain from Mr. Haxton his meaning when he said there was no special apparatus for extracting a core.

The Chief Justice (to witness)—Can you say whether there is an efficient apparatus at the Milling Co. for getting air out of the water in which the ice is made?—I don't think so.

Have you seen the plant?—Yes.

And you it know all about it?—Yes, and it would be necessary to superadd some special apparatus which was not there to eliminate air so as to remove a core.

Does the practical consume supply a large part of the trade?—Only a small part.

Have you customers who buy in blocks?—Our shipping customers buy by the ton.

With regard to tests, was there any substantial difference in the quality of the ice?—No.

Supposing you took a block of fifty pounds do you think the tests would be the same?—Yes.

Mr. J. Leehan, who was formerly a fitter at Quarry Bay, said he was engaged by Mr. Rennie to take charge of the erection of the ice plant at Junk Bay. He took all his orders from Mr. Beyer with regard to the work. In the early part of June a trial, carried out by Mr. Beyer, was stopped by the breaking of a crane. There were three engineers there, who took eight hour shifts, and during the 24 hours at a subsequent trial the machinery ran very well, there being only one stoppage of about two hours. Altogether the machinery ran between seven and eight days. The ice produced at the beginning of the trial was not so good as that produced later.

Mr. Davidson, solicitor and managing clerk to Messrs. Hastings and Hastings, deposed to drawing up the agreement for the purchase of the ice plant by plaintiffs from the defendants. The agreement was drawn up on the instructions of Mr. George Hastings, and on October 15th was sent to the office of Messrs. Arnhold, Karberg and Co. with the object of getting Mr. Arndt's signature. When witness called he saw another gentleman who was acting manager during Mr. Arndt's absence in Canton. That gentleman read the document, but said he would rather not sign it. The agreement was

eventually signed by Mr. Rennie on the one part, and by Mr. Arndt on the other.

Mr. MacNeil asked their Lordships whether they would consent to hear the two counsel on each side in the summing up. In that event one man could deal with technical questions, and the other with other points.

The Chief Justice intimated that the Court had no objection so long as the same ground was not covered twice.

Shortly after Mr. MacNeil had proceeded to open the defence the Court rose with the object of paying a visit to the Ice Works.

The hearing of the case will be resumed this morning.

Wednesday, 11th August.

The Chief Justice, before Mr. MacNeil continued his address, referred to the visit of the Court to the Ice Works on the previous day. He said it seemed to him that it would be very convenient, and it might save discussion, if both parties were agreed as to what they observed, because one side might have observed certain things, the other side different things, and the Court different things again. In these circumstances he thought there should be some agreement.

Mr. Slade was willing to do anything to assist their Lordships, but thought the thing was what their Lordships observed.

The Chief Justice—We shall correct it afterwards, but I would sooner see what you want us to include, because there were two or three things I observed which perhaps the Puisne Judge did not, and perhaps you did not.

Mr. Slade—What form would it take?

The Chief Justice said he meant certain facts, as on the cutting down the centre of a block of the Milling Company's ice certain things were observed, such as, that the needles did not come out in a bunch as they appeared to at first, but that there were four main groups. There were what he called the major needles, and in between there were minor needles. That was an important fact.

Mr. Slade asked if each party would state the facts they observed independently.

The Chief Justice thought so, as there were about only half a dozen facts.

The Puisne Judge said it seemed to him that it would be a good thing if both sides stated shortly what inferences they had drawn.

Mr. MacNeil suggested that they should be handed in writing.

The Chief Justice said there were four main groups of needles from the centre to the core. Then a cloudy effect was given to the Ice Company's ice owing to air streaks. These air streaks went right through the blocks.

The Chief Justice said the matter had an important bearing on the question put to Mr. Haxton as to the relative brilliancy of the two ices.

Mr. Slade said he would make another examination, as the patches of cloud he saw next the plate certainly did not extend through the block.

Mr. MacNeil, continuing his address, said there was no evidence on which their Lordship's could fairly act as to the kind of ice being made in the year 1907 by the Hongkong Ice Co., although Mr. Haxton said he took up the existing system and carried it on as it had been carried on before. He suggested that the warranty as entered into between Messrs. Jardine, Matheson and Co. and Mr. Rennie was not that kind of serious thing which the warranty in this case was alleged to be. This warranty was treated as an absolutely definite and binding agreement to supply ice the same in certain respects as that of the Hongkong Ice Co., whereas the warranty between Mr. Rennie and the Ice Company was of no such serious kind. He further suggested that when Messrs. Keswick and Rennie entered into it they did not care whether it was carried out or not. The refusal of Messrs. Jardine, Matheson and Co. to allow Mr. Rennie to inspect the kind of ice they made showed that they did not particularly care whether Mr. Rennie was able to perform his part of the agreement. For a very considerable time before he entered into the contract with Messrs. Arnhold, Karberg and Co., Mr. Rennie had been considering the possibility of running an ice plant along with his mill. As far back as 1905 he had been making inquiries

with regard to different systems of ice making, and some considerable time before the contract with Arnhold, Karberg and Co. he had been inquiring from the defendant firm as to different systems of ice making. It appeared also, from correspondence recently produced, that Mr. Rennie was not only in communication with Arnhold, Karberg and Co. but also with other firms regarding ice plants. When Mr. Rennie signed the contract with Messrs. Jardine, Matheson and Co. he either deliberately told them that he would do something which he thought he could not do, or he told them with his eyes open that he would do a thing he could do.

Mr. MacNeil, after dealing with the correspondence which passed between the parties, referred to the formal agreement which Mr. Davidson personally presented for signature. He asked their Lordships to note that the engrossment was taken round when Mr. Arndt was away.

Mr. Slade—That is a suggestion of fraud!

Sir Henry Berkeley said the suggestion was that advantage was taken of Mr. Arndt's absence to try to get the agreement signed. If that was not so, the point raised was irrelevant.

Mr. MacNeil said the suggestion was that the agreement was submitted, not for approval, but for signature.

Sir Henry Berkeley drew the Court's attention to the letter sent by plaintiff's solicitors on the same day in which they asked that the engrossment should be sent to Mr. Arndt for approval and signature. The inference of fraud was unwarranted.

The Chief Justice did not understand that that was the inference.

Sir Henry Berkeley said that was what the words implied, and it was a serious imputation. The suggestion his friend was making, whether intentional or not, was that Mr. Davidson sent or took the agreement to Messrs. Arnhold, Karberg and Co. to get it signed when Mr. Arndt, the only one who knew its terms, was absent.

The Court did not think that was Mr. MacNeil's suggestion.

Mr. MacNeil, proceeding, stated that according to his statement of facts, Messrs. Arnhold, Karberg and Co. sold the plant to Mr. Rennie, who knew it to be a can ice plant, and who had previously arranged with Messrs. Jardine, Matheson and Company to supply them with ice equal in clearness, purity and quality to the ice of the Hongkong Ice Co. His clients entered into the contract in the belief that it contained no more than what was already contained in an implied contract in the correspondence which existed between them and Mr. Rennie. Further, his clients were not fairly treated with regard to the matter of the erection of their plant so as to put it in a condition of being able to carry out the satisfactory production of ice required. They were hampered in the completion and erection, and therefore found difficulty and delay in reaching the point at which they could begin to test the powers of the plant with a view to finally turning it over in complete working order. He further stated that the inspection was an inspection made at a time when the plant had not been taken over in complete working order by the plaintiffs, and therefore was inconclusive for the purposes of showing any breach of warranty on the part of the defendant. He would further state as a fact that defendants were prevented, by the wrongful action of the plaintiffs, from even carrying out the week's test run as provided for by the contract. Defendants felt like some animal that had been trapped, and not fairly. They were in a position they felt they ought not to be in. They believed they had honestly carried out the contract they had honestly made, and believed this present claim was an attempt to insist on their doing something they were never meant to do, and which the plaintiffs never intended them to do. Mr. Rennie, in giving a warranty to Messrs. Jardine, Matheson and Co., must have known what he was about, and he had done such things with regard to the defendants that if loss fell it should be borne by Mr. Rennie, and not by the defendants. The conduct of Mr. Rennie stopped him from saying defendants were responsible for any loss which might have arisen through defendants acting as he allowed them to act.

Reverting to the ice, Mr. MacNeil contended that the word purity did not mean transparency. The Milling Company's ice was what he should call sparkling, as it was brilliantly crystallised. Clearness did not mean muddy or dull, but the point was, what clearness meant. He could not say the ice of the Ice Company was not transparent, neither could he say that when one asked for transparent ice he asked for clear ice. It seemed to him more likely that what was wanted was that quality of brilliancy which the Milling Company's ice had.

The Chief Justice—It struck me that if a lady wanted an ornamental ice block for her table, and had one of the Milling Company's blocks, all her guests would say how pretty it was.

Mr. MacNeil—I don't think I need say any more. The Milling Company's product is brilliant ice, and is therefore clear. It is more brilliant than the ice of the Ice Company.

The Chief Justice—While on that point, what does quality cover? It might cover the dimensions of the block.

Mr. MacNeil—I don't think the word quality was intended to cover solidity. Messrs. Jardine, Matheson and Co. wanted clearness and purity, and Mr. Rennie said he would give it. When he drew up the agreement he gave them clearness, purity and quality.

His Lordship asked whether quality in the eyes of Messrs. Jardine, Matheson and Co. did not mean absolutely identical ice blocks, etc.

Mr. MacNeil said he thought all along that Jardines were going to take the ice if it was marketable, and it was an irresistible conclusion to his mind that the fact the Milling Company was no longer a going concern must have weighed with them in their ten years' contract.

Mr. MacNeil had not concluded his address when the Court rose.

Thursday, 12th August.

When the Court sat the Chief Justice announced that they would be unable to continue on Friday or Saturday.

Mr. MacNeil said he was instructed to ask for at least half a day, either Friday afternoon or Saturday morning, for the convenience of the clients.

The Chief Justice—It is not possible. We have such an accumulation of work both in summary jurisdiction and in chambers.

Mr. MacNeil thought the case would finish early next week.

The Chief Justice thought the hearing would take two days more, possibly two and a half. He thought it would have to go over to Monday, as they had another case on hand to consider. His Lordship wished to ask Mr. MacNeil about the point he argued yesterday with regard to the interpretation of the word quality. He wished to know whether Counsel intended to raise the point of latent ambiguity.

Mr. MacNeil said the word quality was in the contract.

The Chief Justice said Counsel had indicated that there was an ambiguity with regard to the word quality, and therefore it seemed to him that the argument tended rather to introduce the law as to latent ambiguity.

Mr. MacNeil said that came in necessarily. The contract contained the words clearness and quality, and quality might mean anything besides clearness.

The Puisne Judge stated that on the previous day Mr. MacNeil had raised a point as to Mr. Rennie's knowledge. It seemed to him that in the absence of fraud that could not be admissible.

Mr. MacNeil said he had raised no question of fraud, but he had stated that Mr. Rennie well knew at the time the nature of the plant he was buying.

The Puisne Judge—Unless you can bring in the principle of latent ambiguity it seems to me it would not be admissible.

Mr. MacNeil—The contract was for can ice.

The Puisne Judge—If you had pleaded fraud, the knowledge of Mr. Rennie probably would have been material.

Mr. MacNeil—Mr. Rennie bought Borsig's plant with a specification as to its being a can plant. Anything turning on Mr. Rennie knowing that the plant he was buying had cans in it is surely relevant.

The Chief Justice—It seems to me that the question of latent ambiguity is a question of fact, and the Court has to say whether this

word "quality" is a latent ambiguity. Then Mr. Rennie's knowledge comes into other parts of the case. It may relate to the quality in question or it may not.

Mr. MacNeil—I propose to leave what I have said to your Lordships for further consideration.

The Puisne Judge—Do you say the word "quality" is an ambiguity?

Mr. MacNeil—The word "quality" may mean anything in our warranty besides clearness.

Mr. Slade—I gather the latent ambiguity is alleged in the word clearness.

The Chief Justice—On that we have had definite evidence. We discussed the question of clearness and transparency yesterday.

Mr. Slade—The only way to interpret the words of the contract are, if it is proved that by reason of the customs of a particular trade the words which have a plain English meaning bear some other meaning, then there is a latent ambiguity. Plain English words are given a plain English meaning.

The Chief Justice—The custom of a trade is one thing, but there are others. I think it is an accurate statement of law that the fact whether a term in a contract is latently ambiguous is a question of fact for the Court.

Mr. Slade—It is a question of fact to be both pleaded and proved.

The Chief Justice—If the Court comes upon a word it does not understand, the question of latent ambiguity arises.

Mr. Slade—If it has been pleaded and proved ambiguous.

The Chief Justice intimated that the Court would consider the point.

Mr. MacNeil, continuing his address, reiterated his previous statement that he thought Messrs. Jardine, Matheson and Co. wanted the ice if it was merchantable, and he thought they must have been influenced to reject it by the peculiar circumstances of the Milling Co. So far as he knew, up to the time of the actual rejection by Jardines, they were prepared to take ice on the can system.

Mr. MacNeil was about to read some correspondence when

Mr. Slade raised the objection he had taken on the previous day, that letters between Jardines or the Ice and Milling Companies were not receivable in evidence.

The Court decided to hear the correspondence, but decided to leave Mr. Slade's objection as a proposition of law to be raised later.

Mr. MacNeil, continuing, said the claim for loss of profit extended to five years instead of ten years, the length of the contract with Messrs. Jardine, Matheson and Co. That at once gave rise to inquiry in the minds of the persons claimed against as to the reasons of this limitation. He supposed that any principle of law which justified a claim for five years would justify a claim for ten years. Another point was that the claim for damages was for five years, and the warranty was that the plant would do its work for one year. That also necessarily gave matter for thought and consideration, because a particular plant was sold to do a particular kind of thing, and the seller said if taken over in proper order it would do its work for a year, but beyond that time he would not guarantee it. There was no reason whatever to suppose that Borsig's machine, if taken over, would not have done its work satisfactorily for five, ten or twenty years, but, on the other hand, there was no reason to suppose that it would. However, if the machine worked for a year, that was all the guarantee the manufacturer had given.

The Puisne Judge—Supposing the machine did its work for thirteen months, you say there could have been no claim?

Mr. MacNeil did not think there could be. There must be a limit placed on the time for which a thing was warranted. He was at a loss to see how any claim could be raised in this action on the warranty for more than one year, for which time the plant was guaranteed. Under the contract between the Milling Company and Messrs. Jardine, Matheson and Co. the limit of supply was 6,500 tons of ice in the year. On coming to look at the claim it was found that the lowest profits were calculated upon a supply of 7,200 tons, 1,000 tons in addition.

Mr. Slade—If that is so the figures can be corrected. Proceeding, Mr. Slade said the comment was perfectly unjustified on the parti-

culars. That was only a detail showing how the estimated loss of profit was arrived at. If his friend turned to the previous page he would find that the estimated loss of profit was \$35,000, not \$52,000 as he had put it.

Mr. MacNeil said there was a further point to which he wished to direct special attention. There was a clause in the agreement between Mr. Rennie and Messrs. Jardine, Matheson and Co. to the effect that if the price of ice fell below what it then was, namely, 1½ cent per pound, the Company was to allow the Milling Company a proportionate reduction in their five-eighths, but not below four-tenths. It had been distinctly proved by Mr. Haxton that the consequence of the Oriental Brewery competition was to put ice down to half a cent a pound.

Mr. E. Arndt deposed to being lately in the employ of Messrs. Arnhold, Karberg and Company, which firm he first joined in 1898. He first made the acquaintance of the late Mr. Rennie in 1905, when he sold him some Deisel engines. Witness was then managing the machinery department of Messrs. Arnhold, Karberg and Company. In the same year Mr. Rennie spoke to witness about machinery for the manufacture of ice, and he gave Mr. Rennie some memoranda referring to a plate ice plant which it was proposed to erect at Shanghai, as well as Borsig's and de la Vergne's catalogues. Mr. Rennie then asked for an estimate, and the firm got one from Borsig. In October, 1907, Mr. Rennie told him that he had an idea of installing an ice plant at Junk Bay, and witness told him he would give him an estimate based on Borsig's. Mr. Rennie consented, and later witness supplied him with an estimate. At that time Mr. Rennie said nothing about the kind of ice he wanted. He said he wanted 24 tons a day of clear ice. Nothing was said about the Hongkong Ice Company or Messrs. Jardine, Matheson and Co., and nothing was said about the disposal of the ice. Witness told Mr. Rennie that the estimate he was going to offer was for a can ice plant, and Mr. Rennie made no objection. Subsequently, however, he made a counter offer, and after a number of wires between Hongkong and Berlin his offer was accepted. What Mr. Rennie chiefly insisted on was time of delivery. After the acceptance of the order Mr. Rennie told witness that he had sold the ice he was going to make to Messrs. Jardine, Matheson and Co. for a number of years.

The examination of Mr. Arndt was continued after the tiffin adjournment. He told the Court he was present at the inspection of the ice plant on June 23rd. Those who accompanied him on the launch were Sir Paul Chater, Mr. Ross, of Jardine, Matheson and Co., Mr. Gibson, Mr. Chard and Mr. Wilks. At the inspection Mr. Haxton, of the Ice Co., was also present.

Cross-examined by Mr. Slade, witness said he had not had experience of ice manufacturing machinery before he made enquiries on behalf of Mr. Rennie. He was not an engineer, and his information regarding such machinery was acquired from catalogues and from his experience in Hongkong. The transparent ice apparatus was an apparatus for making can ice clear.

I don't want to have any confusion. We understand each other that clear ice means transparent ice?—I don't know about that.

Clear and transparent are interchangeable words?—I don't know.

You said that yourself just now?—I say it means clear as far as it can be made in a can ice plant.

It means transparent?—Yes.

Those two words mean the same?—The word transparent in this case, in my opinion, means not opaque.

From the catalogue and Mr. Borsig's letters did you understand that he claimed with his apparatus to manufacture transparent ice?—Yes, with the exception of a core.

If the machine turns out ice which, besides the core, has a great number of air needles which render it not transparent, do you think Borsig has carried out his contract?—I don't know whether it was not transparent.

You think it is perfectly legitimate for Borsig to supply ice with a large number of air needles in it?—Yes.

Air needles don't make any difference to clearness?—No.

You've got no complaint against Borsig, and we have none against you on the subject of air needles?—No.

Was it in consequence of the advice of Mr. Ormiston that you asserted that your ice is as clear as the Hongkong Company's ice?—I am not guided by Mr. Ormiston's advice.

Do you assert, apart from the core, that your ice is as clear as that of the Hongkong Company?—Yes.

And that is just what Mr. Ormiston advised you to do, eh?—Mr. Ormiston has nothing to do with my opinion.

The cross-examination of Mr. Arndt had not concluded when the Court adjourned.

Friday, August 13th.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. H. H. J. GOMPERTZ (PUISNE JUDGE).

SETTLED.

The case was mentioned in which O. E. Owen, proprietor of the Grand Carlton Hotel, sued C. E. Shields to recover \$60 said to be due for board and residence.

Mr. Hinds, from the office of Messrs. Brutton and Hett, who appeared for the plaintiff, said the case had been settled subject to the payment of an agreed amount of costs by the plaintiff to the defendant.

MISTRESS AND AMAH.

Action was brought by Lee Lim, maidservant, against Miss Nana Grey, of 33, Wyndham Street, claiming \$13.80 for wages due.

Defendant, when asked by His Lordship if she admitted the claim, said she did, but the plaintiff had left before her month was up without giving notice. She was willing to pay the amount claimed when the amah had finished her month.

Plaintiff said she entered defendant's employ on June 25th, and on July 17th defendant went to Manila, promising to pay her on the first of the following month. She returned to the Colony after an absence of ten days, and plaintiff applied on the first, second and third of August for payment, which was refused.

His Lordship—When the defendant went to Manila did you remain at the house?—No, I went home. Defendant told me she would pay me on her return.

Defendant said she asked you to finish your month?—I did not go elsewhere. I waited until she returned.

Are you willing to go back into her service?—No, she told me when she was leaving that she did not require me any longer.

Defendant stated that when she went to Manila on July 17th plaintiff asked for her wages. Witness declined to pay until the plaintiff had completed her month. The latter was told to remain on the premises and take care of defendant's clothes, but she did not do so. On the first of August plaintiff presented a bill for \$13.80 for wages due. Defendant paid her amah a monthly wage of \$18, and plaintiff's month ended on July 25th.

Plaintiff, recalled, said that after she had been in the employ of the defendant for a week she gave notice. When defendant left for Manila, all her clothes were locked up, and she left the house coolie in charge.

His Lordship (to defendant)—I think there's a misunderstanding. I should pay her her wages.

Defendant—She has got to finish her month. I am not paying her by the day. When I left there were clothes which she should have washed and ironed, but she did not touch them.

Plaintiff—I did everything that I had to do.

His Lordship (to defendant)—Are you willing to make her any payment at all?

Defendant—I always pay anybody working for me, but in this case I object on principle.

His Lordship told the plaintiff that she was in the wrong in leaving before her month had expired. She had no legal claim for anything, but her mistress, seeing that she had done a certain amount of work was willing out of kindness to pay her \$10.

The money was paid over in Court.

It is stated that the International Banking Corporation will shortly open a branch at Hankow.

COMPANY MEETING.

THE HONGKONG, CANTON AND
MACAO STEAMBOAT CO., LTD.

The ordinary half-yearly meeting of shareholders in this Company was held at the office of the Company on the 10th inst.

Mr. R. Shewan presided, and there were also present—Messrs. F. A. Gomes, J. Bandow, W. Helms, C. R. Lenzmann, H. E. Tomkins, C. E. Anton, H. A. Siebs, R. Fuhrmann (directors), W. E. Clarke (secretary), J. M. Machado, A. H. M. da Silva, W. N. Fleming, L. Berindoague and others.

The SECRETARY read the notice calling the meeting, and

The CHAIRMAN said—The report and statement of account having been in your hands for the usual period, we will, with your permission, take them as read. It is with feelings of great pleasure that your directors present you with what must be considered very satisfactory figures for the half-year's working, and we trust that the proposed appropriations of funds will meet with your approval. The net earnings of steamers and the amount at credit of Profit and Loss Account are the largest for any corresponding period since 1903, and the gross earnings exceed those of any similar period in the history of the Company. The result now laid before you has been attained under severe competition, and increased charges of over \$40,000, in consequence of low exchange, increased light dues and loss in exchange of subsidiary coins, as compared with the corresponding period of last year. The total loss by subsidiary coinage amounted to \$28,589.64 for the period under review. You will notice the very substantial increase of \$79,446.25 in investments in public companies, since the last report. This increase is due to further investment of \$39,607.75, and the appreciation of values over depreciation amounting to \$39,838.50. A similar amount of \$39,838.50 is shown to the credit of the Fluctuation Account. All the values of our investments have been adjusted in accordance with the quotations current at the close of the half-year. Business being very slack during June the opportunity was taken to replace the defective paddle shaft of the steamer *Honam* by the new shaft recently received from England. All the vessels of the fleet are now in good working order. I do not think of anything else calling for special comment, but should any shareholder require any further information I shall have pleasure in answering any question.

No questions were asked, and the CHAIRMAN proposed the adoption of the report and accounts as presented.

Mr. FLEMING—I beg to second, and I think that the management and shareholders are to be congratulated on the report and accounts presented.

The motion was carried unanimously.

The appointment of Messrs. J. W. Bandow and C. E. Anton to the directorate was confirmed on the motion of Mr. FLEMING, seconded by Mr. MACHADO.

On the motion of Mr. SILVA, seconded by Mr. BERINDOAGUE, Messrs. C. R. Lenzmann and H. E. Tomkins were re-elected directors.

The retiring auditors, Messrs. A. O'D. Gourdin and W. P. Potts, were re-appointed on the motion of Mr. SILVA, seconded by Mr. MACHADO.

The CHAIRMAN—That is all the business, gentlemen. I am pleased to be able to conclude by telling you that dividend warrants are payable on application. Before we separate there is just one item in the accounts I should like to refer to. The account put before you is a very good one, but *palmam qui meruit ferat*, and on that principle I am bound to admit that for a great deal of its goodness you are indebted to the unwearied care and vigilance of your secretary, Mr. Clarke. I verily believe he eats and drinks and sleeps and dreams all the time, thinking of his Company and your interests; before one eye he sees the broad shining river with his boats running up and down, and before the other lies outspread the Portage Bill and Expense sheets over which he sometime groans aloud. You could not have a better secretary or a man more devoted to your interests, but with all his care and, much as he

loves to pore over his accounts and analyse and compare them, there is one item which I am sure he is ashamed of, and for which I too would blush if I knew how. That is the item of \$28,589.65, loss on subsidiary coinage. That is a pretty confession for the Chairman of a Company to have to make, and a nice burden for a British Company in a British colony to have to bear. At that rate of loss, \$56,000 per annum, we shall have lost in less than five years over a quarter of a million of dollars. That may seem a small sum to the rich and prosperous Government of Hongkong, but it is a very serious charge on a Company like this—and we are not the only Company that suffers and I cannot believe that the Government mean to look on quietly and do nothing while we suffer these heavy losses. It is true that in the past we owe little to those who sit in high places, for commencing with those old sailing ship captains and merchants who refused to quit the port when ordered to do so by the sapient government of that day, who wanted to abandon it, down to the present, we have usually had to look after ourselves and take care of ourselves in a crisis, but although the Colony has been made by trade and built up by traders like ourselves, still we pay our taxes and have a right to expect something in return from those who receive the money. In business there are few worse things than a dishonoured signature, but in this case the Government is not only dishonouring its bills, but is actually allowing the superscription of our Sovereign to be dishonoured on their coins. Incidentally, they are throwing away what used to be a fine source of revenue, but that is a small matter to them, which can be easily remedied by slapping another tax or two on us poor Issachars. We all know, or at least we have the word of a great man for believing, that the world is governed with very little wisdom, and so we do not look for much wisdom or courage or foresight from those in authority over us; but even so, granting all that, the apathy and supineness they show in a matter so seriously and so prejudicially affecting the interests of the whole community is amazing and astounding even for them. (Applause.) The Secretary has reminded me of another point. Shipping people know well that fares and freights cannot be raised as we like, but are governed by competition. It all comes to this: that if the Government did its duty we should not be forced to receive coins that are worth less than their proper value by six to ten per cent.

COMPANY REPORTS.

HONGKONG AND SHANGHAI
BANKING CORPORATION.

The eighty-eighth report of the court of directors to the ordinary half-yearly general meeting of shareholders to be held at the City Hall, Hongkong, on Saturday, the 21st inst., is as follows:—

Gentlemen.—The Directors have now to submit to you a general statement of the affairs of the bank, and Balance Sheet for the half-year ending 30th June, 1909.

The net profits for that period, including \$2,006,234.08, balance brought forward from last account, after paying all charges, deducting interest paid and due and making provision for bad and doubtful accounts, amount to \$5,493,446.41.

The Directors recommend the transfer of \$750,000 from the profit and loss account to credit of the silver reserve fund, which fund will then stand at \$15,250,000.

After making this transfer and deducting remuneration to directors there remains for appropriation \$4,728,446.41, out of which the directors recommend the payment of a dividend of two pounds sterling per share, viz.: £240,000, which at 1/9-1-8, the rate of the day, will absorb \$2,726,627.22.

The balance, \$2,001,819.19, to be carried to new profit and loss account.

Branches and Agencies.—A branch office of the bank was opened at Canton on the 6th July.

Directors.—Mr. G. Friesland having resigned his seat on leaving the Colony, Mr. J. W. Bandow has been invited to fill the vacancy;

this appointment requires confirmation at this meeting.

Auditors.—The accounts have been audited by Mr. W. Hutton Potts and Mr. J. W. C. Bonnar.

W. J. GRESSON,
Chairman.

Hongkong, 10th August, 1909.

LIABILITIES.

Paid-up capital	\$ 15,000,000.00
Sterling reserve fund £1,500,000	
(@ ex. 2/-)	15,000,000.00
Silver reserve fund	14,500,000.00
Marine insurance account	250,000.00
Notes in circulation:—	
(Authorised issue against securities and coin deposited with the Crown Agents for the Colonies and their trustees, \$15,000,000.00)	14,149,703.00
Current accounts:—	
Silver	\$95,414,652.37
Gold £4,992,726	
1s. 5d.	56,730,866.07
	152,145,518.44
Fixed deposits:—	
Silver	\$62,034,168.86
Gold £4,661,536	
12s. 1d.	52,964,800.97
	114,998,969.83
Bills payable (including drafts on London bankers, call loans and short sight drawings on London office against bills receivable and bullion shipments)	14,063,599.17
Profit and loss account	5,493,446.41
Liability on bills of exchange re-discounted, £4,972,346 3s. 10d., of which £3,671,148 14s. 5d. have since run off.	\$345,601,236.85

ASSETS.

Cash	\$55,260,909.72
Coin lodged with the Hongkong Government against authorised and or excess note circulation	13,000,000.00
Bullion in hand and in transit	4,318,503.50
Indian government rupee paper	2,099,088.72
Consols colonial and other securities	10,213,250.76
Sterling reserve fund investments, viz.:—	
£1,208,000 2½ per cent. consols at 82	£990,560
(of which £250,000 lodged with the Bank of England as a Special London Reserve.)	
£255,000 2½ per cent. national war loan at 90	229,500
£325,000 other sterling securities, written down to	279,940
	\$1,500,000
at ex. 2/-	15,000,000.00

Bills discounted, loans and credits	113,046,509.47
Bills receivable	130,763,412.03
Bank premises	1,899,562.65
	\$345,601,236.85

GENERAL PROFIT AND LOSS ACCOUNT.

Dr.

To amounts written off:—	
Remuneration to Directors	\$ 15,000.00
To dividend account:—	
£2 per share on 120,000 shares = £240,000 at 1/9½ =	2,726,627.22
To transfer to silver reserve fund,	750,000.00
To balance forward to next half-year	2,001,819.19
	\$5,493,446.41

Cr.

By balance of undivided profits, 31st December, 1908,	\$2,006,234.08
By amount of net profits for the six months ending 30th June, 1909, after making provision for bad and	

doubtful debts, deducting all expenses and interest paid and due, ... 3,487,212.33
\$5,493,446.41
\$5,493,446.41

STERLING RESERVE FUND.
To balance, £1,500,000 (at ex. 2.- \$15,000,000.00)
(invested in sterling securities.)
\$15,000,000.00

By balance 31st December, 1908,
£1,500,000 (at ex. 2.- \$15,000,000.00)
\$15,000,000.00

SILVER RESERVE FUND.
To balance, ... \$15,250,000.00
\$15,250,000.00

By balance 31st December, 1908 \$14,500,000.00
By transfers from Profit and
Loss account, ... 750,000.00
\$15,250,000.00

HONGKONG AND WHAMPOA DOCK CO., LTD.

The report of the Board of Directors to the ordinary half-yearly meeting of shareholders, to be held on Monday, the 23rd August, 1909, is as follows:—

Gentlemen.—The directors have now to submit to you their report, with a statement of accounts for the half-year ended 30th June, 1909.

The net profit for the six months, after paying interest due and all charges, amounts to \$ 76,609.93
To which has to be added the balance brought forward from last account 387,078.77

\$463,688.70
Less cost of re-organization to 30th June, 1909 ... 37,776.34
\$425,912.36

and from this have to be deducted—
Directors' fees (half, the usual charge) ... \$5,000.00
Auditors' fees ... 750.00
5,750.00

leaving available for appropriation \$420,162.36

The Directors recommend that a dividend for the half-year of 3 per cent., or \$75,000, be paid to shareholders, and the balance \$345,162.36 be carried to the new account.

During the half-year under review, a contract was concluded, with the Sze Yip S.S. Co., Ltd. for the construction of a twin screw steel river steamer for their Kongmoon trade, and this vessel will be ready for launching some time in September. Other new work in hand consists of light draught steel river steamer, six steel lighters, six wooden lorchas and two motor boats, all for Manila.

The two launches mentioned in the last report as being built at the Cosmopolitan Dock for stock have been sold. The launches K. 7 and C. 3 have also been sold, and the new launch referred to in last report as under construction at Kowloon for harbour service has been launched and taken the place of the former.

A light draught river gunboat built by Messrs. Yarrow, Ltd., for the Portuguese Government for service in Macao was re-erected at Kowloon Dock and delivered to her owners.

The boiler shop extension at Kowloon Dock has been completed and the shop is now in full working order.

The new head office at Kowloon Dock, which is part of the scheme of reorganisation, is on the point of completion and will be ready for occupation by arrival of the newly-appointed Chief Manager.

The extension of No. 1 dock progresses slowly, but the work has not prevented ships being accommodated whenever required.

W. J. GRESSON,
Chairman.

Hongkong, 9th August, 1909.

BALANCE SHEET 30TH JUNE, 1909.

LIABILITIES.	
Capital 50,000 shares of \$50 each fully paid up	\$2,500,000.00
No. 1 Dock extension account	221,000.00
Marine insurance account	88,442.77
Sundry creditors	1,941,123.42
Balance of profit brought forward from last account	\$387,078.77
Profit for the half-year ending 30th June 1909	76,609.93
	463,688.70
Less cost of reorganization to 30th June, 1909	37,776.34
	425,912.36
	\$5,176,478.55

ASSETS.	
<i>Aberdeen.</i>	
Value of Aberdeen Docks, as per last statement	\$100,000.00
<i>Kowloon.</i>	
Value of Kowloon Docks as per last statement	\$2,546,927.00
Amount paid on account of yard plant, boiler shop extension, boiler smith's shop, engine shop, blacksmith's shop, general office extension, and time office extension,	59,158.00
	2,606,085.00
<i>No. 1 Dock Extension Account.</i>	
Amount paid as per last Statement	100,237.60
Amount expended during six months 1st January to 30th June, 1909	10,334.98
	110,572.58
<i>Cosmopolitan.</i>	
Value of Cosmopolitan Dock, as per last statement	303,000.00
Less amount since written off	3,000.00
	300,000.00
Value of tugs, dredgers, launches and lighters	498,867.89
Sundry debtors	205,978.49
Value of material expended on work in progress	95,140.88
Value of material on hand	1,259,833.71
	1,354,974.59
	\$5,176,478.55

REVENUE ACCOUNT.	
To interest	\$54,274.09
To crown rent	4,073.05
To fire insurance	5,060.15
To office expenses, salaries, stationery and rent of head office	25,916.64
To telegrams	1,561.74
To legal expenses	736.70
To marine insurance account	10,336.50
To profit	76,609.93
	\$ 178,568.80

By net earnings	\$ 178,568.80
	\$ 178,568.80

DARKER CHINA TEAS.

The first consignments of the season's China teas are now reaching the English market, says a recent London paper.

"The quality of the first consignment of 5,000 packages was in many cases above the average," said the China tea expert of a leading City firm. "This year the Chinaman has made his tea rather more 'coloury in the cup' to suit the taste of Western tea drinkers, who have hitherto found China tea a little too light in colour. This is a development in the process of manufacture which results in the colour being brought out in infusion, and does not mean that the tea has been doctored."

BOYCOTTING THE PORTUGUESE.

OUTCOME OF THE "FATSHAN" AFFAIR.

Our Canton correspondent writes on the 6th inst.:—An important meeting of the Self-Government Society was held yesterday evening, and thousands of persons, representing every section of the people, attended the meeting. Chan Wai Po was unanimously elected Chairman, and he opened the proceedings by reading the circular convening the meeting, a translation of which I sent you yesterday. The Chairman then informed the meeting that he had been handed a copy of a letter which had been written by Messrs. Butterfield and Swire to the British Consul to come to some settlement of Noronha's case. He said that the audience could see from this that Messrs. Butterfield and Swire had done all in their power to bring the *Fatshan* incident to a satisfactory conclusion, and had made ample compensation to the deceased's family. The Chairman then called upon Yok Wing Yu, who had full power to represent and act for Messrs. Butterfield and Swire, and Ho Yu Tui, acting on behalf of the family of the deceased Ho Yu Ting, to come to a final settlement. They informed the audience that they had arrived at a satisfactory settlement, and thanked the Society for the interest and help they had given to the case.

The Chairman then said that the *Fatshan* affair as regards Messrs. Butterfield and Swire was concluded, and he proposed that they should send telegrams to their countrymen informing them of this fact. The audience approving, a telegram was thereupon drafted.

The Chairman then resumed. The Consul for Portugal had not done his share of the business. He had refused to re-try Noronha or to offer an apology. He had falsely accused the Society of bribery, and had refused Viceroy Chang's proposal to hold a joint trial. The Chairman asked the assembly to decide on some form of retaliation for this insult to the Society, and to the Chinese nation in general. As far as he could see, all they were able to do was to request the Portuguese Consul to hold another trial, and to be careful in their future connections with the Portuguese. There were very few Portuguese firms, and not much business was carried on with the Chinese. The Portuguese were mostly employed by other foreign firms, as clerks, etc., and some were employed in Chinese firms. The Portuguese were a violent people, as they could see from the murder of Ho Yu Ting. It behove them, therefore, to have no more business transactions with them, lest they be treated as their poor countryman Ho Yu Ting had been. They should have no further dealings with any firm, Chinese or foreign, who employed Portuguese clerks or assistants; and he asked the audience whether they approved of this course.

Kong Shui Cheun, an influential member of the gentry, then stood up and proposed that the Chairman's suggestion be adopted; and he further moved that telegrams be sent to their compatriots in every country to refrain from having any business transactions in future with firms employing Portuguese.

Ho Wai Nung seconded the proposal, and the audience unanimously concurred, signifying their approval by shouting and clapping most uproariously.

After partaking of refreshments, the audience dispersed, and the meeting was postponed till this evening.

HONGKONG UNIVERSITY FUND.

\$25,000 FROM H. K. AND S. BANK.

We are informed by Sir Paul Chater, Hon. Treasurer of the Hongkong University Scheme, that the Hongkong and Shanghai Banking Corporation have contributed the sum of \$50,000 towards the Endowment Fund.

DONATION FROM MESSRS. JARDINE, MATHESON AND CO.

We are authoritatively informed that Messrs. Jardine, Matheson and Co. have contributed a sum of \$25,000 to the Endowment Fund of the proposed Hongkong University.

CANTON.

(FROM OUR OWN CORRESPONDENT).

August 5th.

THE "FATSHAN" AFFAIR ONCE MORE.

The Self-Government Society has issued a circular convening a public meeting for this evening, for the purpose of discussing the *Fatshan* Affair. The following is a translation of the circular:—

"Messrs. Butterfield and Swire, the owners of the s.s. *Fatshan*, have promised to transfer the Captain of the *Fatshan* to another vessel not on the Hongkong-Canton run, and they have also consented to pay \$3,200 to the family of the deceased man, Ho U Ting. The comprador department of that firm has also added \$2,000 to the sum. The Portuguese ticket-collector, Noronha, will be handed over to the Portuguese Authorities to be tried, and Messrs. Butterfield and Swire have given their promise that they will not employ any more Portuguese in future. They have also issued instructions to all their vessels that Chinese passengers are to be well treated, and no violence is on any account to be used to them. We thus see that Messrs. Butterfield and Swire have done all they can to make reparation for this unfortunate occurrence. The Portuguese Consul, however, has not acted fairly, and we must meet to discuss some way of showing him that we are not to be trifled with. The Portuguese Consul has accused our Society of having been bribed to take up the case, but our only wish is to see that the deceased's family gets fairplay. The British nation has always been friendly to the Chinese, and on this occasion the British have done nothing that can be considered unfair. Ho U Ting was killed by a Portuguese, and though he was employed on a British vessel the British are not to blame. We should not, therefore, act against the interests of the British but we invite all our countrymen to meet together and discuss what steps are necessary to punish the offenders."

ANOTHER INTERNATIONAL QUESTION.

On the 1st instant Messrs. Carlowitz and Co sold the property of the Tsun Hing firm, foreign goods dealers, on which they had distrained for debt in respect of goods supplied. It is claimed that the sale was illegal, as it is alleged to have taken place without the knowledge or authority of the owners, the Pun Yu Magistrate, or the German Consul. The value of the property distrained on is declared to be \$25,000, and it was sold for \$7,320. The Tsun Hing firm has refused to acknowledge the sale, and has offered to liquidate the debt, which is for \$7,000. Ho Wai Nung, an influential member of the Self-Government Society, has taken the case up on behalf of the Tsun Hing firm, and has asked the German Consul to press Messrs. Carlowitz & Co. to apply for the debt in the usual way. The case has aroused much indignation among Chinese business-men, and the matter will be discussed at the next meeting of the Self-Government Society.

STAMP DUTY IN KWANGTUNG.

Stamp duties are to be adopted here very soon. The Provincial Treasurer has ordered a Weiyan, Yu On Fung, to proceed to Peking at once to bring back the stamps. They will be used as soon as they arrive.

THE OPIUM TRAFFIC.

WEST AUSTRALIAN TRADE.

The record of the opium traffic during the past six months serves to indicate that the trade in the drug in West Australia has been profitable to the Crown and disastrous to the Chinese. During the first six months of 1908, 27 seizures were made, Chinese being concerned in 22 of these cases, and a European in one, while in four cases the ownership proved a hidden mystery. During the corresponding period of 1909, only 16 seizures have been made, the Chinese again predominating, 11 of them having to submit to confiscation, while others affected were two Malays, one Afghan, one European, and one "unknown."

SHIPPING NOTES.

The Java-China-Japan Navigation Company has ordered its seventh ship for the East Asia service.

The American cruiser *Rainbow* was brought into Hongkong yesterday morning by the blue funnel steamer *Antilochus*, which towed her from off Amoy, the cruiser's main boiler having been damaged. The usual salute was fired on entering the port.

Business at the Docks of the Colony seems to be improving. There are eight vessels at the Kowloon Docks. The Aberdeen Dock is occupied, and there are two vessels at the Taikoo Docks. The cosmopolitan Dock, after being vacant quite a long time has been occupied this week by the *Coblenz*, which came out of dock yesterday.

We learn that the s.s. *Persia*, which has been undergoing "the fresh water cure" at Whampoa, for the last twelve months and was brought down to Hongkong last week, has been chartered by the Eng Hok Co. to run to Mexico.

The speed trials of the O.S.K.'s new American liner *Seattle Maru*, which was recently launched at the Kawasaki Dock-yard, have proved very successful, the vessel developing a speed of over 15 knots an hour, although the speed contracted for was only 14 knots.

The M. M. Company have suspended their scheme of constructing fifteen new mail steamers pending a settlement of their negotiation with the French Government regarding the subsidy. The new vessels will replace some of the old ones on the run to Australia as well as to the Far East.

It is reported in Japan that the Mexican Oriental Steamship Company, which has just commenced to compete with the Toyo Kisen Kaisha in the South American services, has resolved to suspend navigation for the present. The difficulty of the landing of the Chinese emigrants in Peru and Chili is most probably the cause of this measure.

Remission of the fine imposed upon the Toyo Kisen Kaisha Steamship Company on the charge of violating the coastwise shipping laws in recently landing the daughter of ex-Vice-President Fairbanks, at San Francisco, is provided in a decision just rendered by Assistant Secretary of Commerce and Labour McHarg. With her father and mother, the daughter recently sailed from San Francisco for Japan on a world cruise, but at Honolulu, on cable advices that her husband had been ordered back to shore duty, she returned to San Francisco on the Japanese boat. This violated the law, which imposes a fine of \$200 on a foreign steamship company for each passenger carried from one American port to another. The fine was remitted because of the unusual nature of the case.

The private shipbuilding companies in Japan are now experiencing a scarcity of orders. With a view to relieving this distress the Japanese Government has lately placed one order each with the Kawasaki and Mitsui Bishi Shipbuilding Yards for the construction of cruisers. If the shipbuilding business continues depressed the Government will, it is reported, shortly place orders with the Kawasaki and Mitsui Bishi Shipbuilding Yards for the building of several destroyers. The *Osaka Mainichi*, from which we quote the above, says that since the termination of the late war the number of destroyers has greatly increased, but there are many old destroyers whose services must be dispensed with in the near future. In consideration of this fact the Naval authorities are reported to have decided to have a number of destroyers constructed at the private shipbuilding yards instead of at the naval yards.

A Contributor to *Fairplay* writes:—"Trade in the East, and shipping in particular, were exceedingly bad when I passed over the ground in March and April of this year. In Hongkong I heard that most of the time-chartered boats which had hitherto been engaged in the China coasting trade had been sent home for good, and that out of some 140 only about 30 vessels remained on the Coast. In Shanghai the same tale was told, and in Japan I was informed that out of a total tonnage of 1,400,000 of mercantile steam shipping owned by Japan 400,000 tons were laid up." The Contributor concludes a brief review of the development of the Japanese mercantile marine with these observations:—"As regards the future of Japanese shipping I am of opinion that the low wages and cheap victualling will enable Japanese ship-owners to successfully compete against Europeans, and to gradually displace many European vessels now employed in the China trade; at present lack of funds is the principal impediment."

The cause of the recent accident to the German steamer *Andalusia* in Tokyo Bay is alleged by a Japanese paper to have been the taking of a wrong course, namely, between the first and second sea forts off Futtsu (Saratoga Spit), instead of between the second and third forts, the regular course. No damage was caused to ship or cargo. Over 1,400 packages of cargo were discharged on the lighters sent out to her assistance. The German Navy transport *Titania*, which sighted the steamer aground about sunset, on her way to Yokohama, stopped and attempted to get the *Andalusia* off at high water at mid-night in co-operation with two tugboats of the Yokohama Dock Co., but without effect. The following day about 400 more tons of cargo were discharged, and at high water at 11.30 a.m. the steamer was successfully refloated, and proceeded to Yokohama. While rendering assistance, the launch *Eagle*, of Messrs. Helm Bros., was caught in a cable and sank. An engineer, named Sahara, sustained injury. Messrs. Helm Bros. immediately sent divers to raise the sunken launch. The German steamer had a cargo of about 3,000 tons, consisting of iron, glass, sugar and sundries.

THE OSAKA FIRE.

LOSSES OF THE INSURANCE OFFICES.

The losses of the fire-insurance offices are of course not yet accurately ascertained, but the total amount of property insured in the area destroyed by the fire is roughly as follows:—

Nippon Fire	Y2,000,000
Tokio Fire	2,000,000
Meiji Fire	1,000,000
Yokohama Fire	700,000
Kyodo Fire	900,000
Kobe Marine and Fire	600,000
Osaka Fire	300,000

Total Y7,500,000

The loss of each company is estimated as follows:—

Nippon Fire	Y1,300,000
Tokio Fire	1,000,000
Meiji Fire	700,000
Yokohama Fire	300,000
Kyodo Fire	400,000
Kobe Marine and Fire	400,000
Osaka Fire	150,000

The Hakodate fire raged 22 hours and the houses destroyed numbered 12,000. The present fire in Osaka raged for 25 hours and did considerably more damage, so that the loss of the insurance offices must be much larger.

[The figures given above are taken from the *Japan Chronicle* of the 2nd inst., but later telegraphic information has placed the losses at a very much higher figure.]

During the month of July 98 arrests were made of Chinamen, Filipinos and Americans in the Philippines under the opium law. Of these 83 were Chinamen, 14 Filipinos, and one American. Three of the Filipinos were women. Of the cases tried the sentences were for the most part imprisonments of three months each, fines of P.300 being given in some cases.

THE ANTUNG-MUKDEN RAILWAY.

STATEMENT BY JAPAN.

The Japanese Government has issued the following statement on the Antung-Mukden Railway Question:—

It will be remembered that the light railway between Antung and Mukden was built by Japan during the late war, for military purposes. As the line was constructed in haste, it was wholly unsuited for ordinary commercial purposes.

When the South Manchurian Railway was transferred to the Japanese Government, the necessity of a connecting link between that line and the Korean system became apparent, and according to Article VI. of the Supplementary Agreement to the Manchurian Convention of Peking of 1905, it was agreed that Japan not only had the right to maintain the military railway in question, but she was to improve it so as to make it fit for the conveyance of merchandise of all nationals, or, in other words, to transform a purely military line into a commercial railway.

The existing Antung-Mukden Military Railway has a total length of 188 miles and a gauge of 2 feet 6 inches.

To avoid the construction of tunnels and bridges, for which there was no time, the line was given a wide detour, and many steep gradients and short and sharp curves, so owing to these defects there is naturally frequent danger of derailment. The hauling capacity of the locomotives is very small, three or four cars constituting a maximum train and in some portions of the line where the grades are steep, trains have to be divided into two or more separate hauls. The speed capacity of the engines is also necessarily very low, while travel on the line by night is impracticable. Transit between Antung and Mukden requires two full days.

It was to remove these defects and to make the road available and efficient for commercial purposes that the improvement stipulation was inserted in the said Supplementary Agreement of 1905.

By the opening of the Mukden-Fusan Line, another route will be established for inter-continental intercourse between Europe, Japan, and the Far East generally. The new route will have the advantage of reducing the sea voyage to ten hours, but in order to make the route effective and useful it is necessary that it shall have the same gauge and efficiency as the Korean and the South Manchurian Railway systems, to which the route under consideration will be the connecting link.

Improvements which are absolutely essential include the building of bridges, boring of tunnels, straightening and grading of the line, and the changing of the gauge similar to the Korean and South Manchurian Railway systems. With these improvements the distance will be shortened, time of transit between Antung and Mukden reduced from two full days to eight or nine hours and the general efficiency of the line will be established. Without them the Railway will remain as at present entirely useless for commercial purposes.

The Japanese Government, with a view to make the Antung-Mukden Railway available as soon as possible as a connecting link between the Korean and South Manchurian systems in the great inter-continental trunk line, entered into private negotiations with China. As this proved abortive the Imperial Government officially proposed to China in January last to dispatch commissioners to survey the line. The proposal having been agreed to the Japanese and Chinese Commissioners made and agreed upon a joint survey of the proposed route with the exception of a small section some twenty miles in length, between Mukden and Chenshiangtan. This work was completed early in April and steps were immediately taken to report the result to the Chinese Government. As, however, the route between Mukden and Chenshiangtan remained to be discussed between the Governments, the Imperial Government, in order to prevent unnecessary delay, proposed to the Chinese Government to commence work on that portion of the line East of Chenshiangtan which had been duly surveyed, leaving the Mukden-Chenshiangtan section for subsequent examination and adjustment, and they announced their desire to begin the purchase of the land required for the railway.

China, having recourse to her well known policy of obstruction and procrastination, evaded the just and reasonable demands of Japan and raised questions regarding the police authority in the railway zones and the withdrawal of railway guards. Finally on June 24th last they sent a reply which if concurred in would wholly nullify the provisions of the arrangement of 1905, and disregard the survey agreed to by the Commissioners of the two Governments.

That reply besides reviving the questions of the railway guards and police authority and raising other immaterial issues which would appropriately lend themselves to separate negotiations, declared that the work of improvement must be confined to the existing tract and that no broadening of the gauge could be permitted.

The Imperial Government, reluctant to take measures tending to impair the good relations which exist between China and Japan, confined their action to an endeavour to induce China to reconsider her untenable position, and to adopt the course consistent with the manifest intention of the parties to the engagement of 1905.

China, however, still maintains an unyielding and unaccommodating attitude which gives no promise of anything but vain and unprofitable negotiations.

In this situation the Imperial Government is compelled to take independent action and, without waiting for the co-operation of Chinese Authorities, to proceed to carry out the necessary works of reconstruction and improvements according to their treaty rights and in harmony with the survey of the commissioners of the two Governments.

CANTON-HANKOW RAILWAY.

Grand Councillor Chang Chi Tung has telegraphed to Taotai Wong Ping Yan, Director of the Canton-Hankow Railway, as follows:—

"During the previous month, Sir Chan Tung Liang Sheng, Superintendent of the Canton-Hankow Railway, applied a few times to be allowed to resign his appointment, on the ground that the present weak state of his health prevents him from efficiently carrying out his arduous duties. Being assured that Sir Chan is the most able man for the post, I did not see fit to accept his resignation, especially as Sir Chan possesses the confidence of the shareholders. I desire you, therefore, if Sir Chan persists in his intention of resigning, to call on him personally, and inform him that it is my great wish that he should continue in his appointment. The Board of Posts and Communications has been supplied with a copy of this telegram, and concurs with me in this matter."

A RICH SILVER MINE IN KWANGSI.

It is reported that the Tienpingshan silver mine in Kueihshien, Kwangsi, is one of the richest mines in that province, and lately Taotais Huang Hsi chu'an and Lin Shih-chi accompanied Mr. Yung, mining engineer, and others interested, to inspect it. Mr. Yung is a son of the well-known Dr. Yung Wing, who took over the early Chinese Government students to the United States. He has expressed a high opinion of the richness of the mine, which, he says, is one of a kind not often come across. According to his statement, from ten to fifteen ounces (Chinese) of pure silver may be obtained from a picul of ore, and with 300 miners working a day, some 20,000 ounces of silver may be extracted from 100 tons of ore. The mining area is very extensive and about twenty lodes have been discovered.

A syndicate called the Chen Hua Co. has been formed, the principal interests in which are taken by wealthy Chinese in foreign colonies. The mining machinery has arrived and the staff has begun to sink the shafts. Facilities such as tramways and steamers are under consideration and will be put into operation. The chief promoter of the syndicate lately arrived in the capital of Kwangsi with the intention of securing mining rights in the Linkuei, Hsungan and Zungning districts, as well as a reclamation scheme in the first named city.—*N. C. Daily News.*

FAR EASTERN TELEGRAMS.

THE ANTUNG-MUKDEN RAILWAY.

Tokyo, August 6th.

It is reliably reported, with reference to the Antung-Mukden railway, that Japan has sent an ultimatum to China announcing her intention to begin the reconstruction of the line.

Tokyo, August 8th.

On Friday Mr. Ijuin, the Japanese Minister at Tokyo informed the Waiwupu of Japan's determination to proceed immediately with the reconstruction of the Antung-Mukden railway.

Yesterday the Japanese Foreign Office published a statement of the negotiations for the work of transformation.

CHINA AND JAPAN.

Tokyo, August 9th.

The Chinese Minister at Tokyo called on Saturday upon Baron Komura, Minister for Foreign Affairs, and authoritatively reported that the Chinese Government proposed that pending questions between the two countries should be referred to a Commission for consideration.

THE BRIBERY SCANDALS IN JAPAN.

Tokyo, August 10th.

The Appeal against the sentences imposed on officials of the Japan Sugar Refinery Co., for bribery and corruption, has been heard, and the sentences confirmed except in the cases of two minor officials, whose sentences have been quashed.

DISASTROUS EARTHQUAKES IN JAPAN.

THOUSANDS OF CASUALTIES.

Tokyo, August 14th.

Disastrous earthquakes have occurred in Gifu and Shiga prefectures.

Thousands of casualties and immense destruction of property are reported.

Roads and river banks have been sundered and the conformation of Ibukiyama (a mountain) is unrecognisable.

The damage extends to Lake Biwa.

The shocks are continuing, and at Ise Bay near Nagoya inundations have been caused by a tidal wave.

THE MONEY MARKET IN JAPAN.

Tokyo, August 14th.

The Bank of Japan has lowered its rate of interest.

[FROM THE "CHUNG NGOI SAN PO."]

THE HONGKONG UNIVERSITY.

Peking, August 6th.

His Excellency Yuan Shu Fan, the newly appointed Viceroy of Canton, has been ordered by the Throne to do his utmost in raising subscriptions for the proposed Hongkong University.

HONGKONG'S WATER SUPPLY.

In view of the unsatisfactory showing of the last water return which was dated July 1st, there has naturally been much public curiosity to learn what improvement has resulted from the heavy rains which have since fallen. The Water Authority has just forwarded to us the returns brought down to August 1st, and these show, as compared with the returns for the same date last year, a shortage of more than three months' supply on the island, while at Kowloon the difference is not very considerable. Whereas on August 1st last year all the reservoirs on the Island were overflowing, on the 1st inst. Tytam was 22ft. 4in. below overflow and Tytam byewash 24ft. 5in. below. The three smaller reservoirs were also below overflow.

COMMERCIAL

IMPORTS:—

RICE.

HONGKONG, 16th August.—There have been few arrivals; the prices are advancing.		
Saigon, Ordinary	\$4.95	to \$5.00
" Round, Good quality ..	4.90	to 4.95
" Long	5.05	to 5.10
Siam, Field mill cleaned, No. 2 ..	5.05	to 5.10
" Garden, " No. 1 ..	5.00	to 5.15
" White,	5.15	to 5.20
" Fine Cargo	5.25	to 5.35

JAPANESE MARKET.

Kobe, 29th July.—Cotton.—American.—Prices have shown heavy fluctuations since our last report, quotations having receded as much as Yen. 3.30 during the early part of the past fortnight, owing doubtless to favourable weather prospects over the Cotton belts. Later advice, however, show a slight recovery in rates, which close steady. "Forward" Middling is given at Yen. 39.30 but no transactions have been done owing to the unsettled state of the crop, and to uneasiness regarding prices. "Spot" is nominal at Yen. 36.25. Indian.—Prices have not been much affected by the drop in American rates, quotations having been maintained on a high level, more especially for "spot" in Bombay, owing to short stocks in the home market. In consequence no business of importance has transpired. "Spot" locally is quiet due to the drop in prices of American cotton. Holders, however, are not disposed to sell at low rates. Closing prices are: Bengal Yen. 29.00; Akola Khamgam Yen. 29.50; Broach Yen. 31.00 nominal. Chinese.—The condition of the new crop is reported to have recovered somewhat, but business in this direction is altogether ignored. There are furthermore no old stocks for sale. Quotations are: "Best" Yen 30.00; "Common" Yen. 28.00. Shirtings.—Spot market continues to improve, a little pinch being felt in a standard cloth which has brought out a few orders for early shipment. Cotton Goods and Fancies.—There is a small undercurrent of new business, but market generally shows no particular change. Worsteds and Woollens.—As the Autumn season approaches the market shows signs of more promise. New business is practically non-existent. Metals.—Market much depressed by the fall in galvanized sheet following the collapse of the syndicate of dealers in all kinds of metals—who had promised to refrain from making fresh contracts.—Cane.—Raw.—Java.—Quiet. Formosa.—Market has improved slightly. Osaka Refined.—At the auction held by the Trust Sale Office on the 23rd instant 3,500 bags Osaka sugar, 1,000 bags, Yokohama and 1,000 bags Kobe manufacture were disposed of at prices showing an advance of from 5 to 15 Sen. Rice.—There is no business being done, and the market is weak.

PIECE GOODS.

Messrs. Noël, Murray & Co. in their Piece Good Report, dated Shanghai 6th August, 1909, state:—It seems that we are now in the midst of the dull, hot period that is usually associated with July, which still carries out the theory of a late season this year. If that is so there may be a better chance for a satisfactory Autumn demand, the possibilities of which have not put in any appearance as yet. Mean-while the market remains in a deadly dull state, no sales of any importance being made from first hands. The continued hot weather may account to some extent for apathy being shown by buyers at the moment, causing as it does great anxiety concerning the standing crops. We learn from Native sources, however, that the crops in Shantung are turning out much as better than expected at first from their stunted appearance, as although the stalks are dwarfed the ears are large and full. It is to be hoped this may be the experience in other parts of Country. Very conflicting news comes from Manchuria. There are many reports of serious floods in populous neighbourhoods, while on the other hand it is reported the crops as a whole are in excellent condition and nearly ready for harvesting. If other conditions were as favourable to Foreign trade there would not be much to complain about, but the dominance of the Japanese interests all over the country is so marked, fostered as they are by banking and transport facilities, other goods are getting a very poor show. There is rather less anxiety regarding floods at Hankow and other River Ports, but orders for fresh supplies are very slow in coming down. Clearances and shipments of former purchases, including Auction Cargo, however, are going on quite satis-

factorily to most of our dependencies. Since Manchester elected to adopt short time prices have steadily stiffened there and widened the margin between that market and this in staple goods, the advance in some classes being as much as fifteen pence. Prospects here do not warrant any such enhancement in prices on this side, so transactions are likely to be much curtailed. The raw staple is being manipulated on the home markets in an extraordinary manner, and points once more to the influence of the gambling element. During the interval Mid-American has been up to 6.80kl. in Liverpool and 12.60 cents in New York, to-day the quotations come 6.60kl. and 12.12 cents respectively, and this in face of the Bureau reports of 71.9 as the condition of the crop at the end of July. The latest quotation for Egyptian at Liverpool was 9½d. The Manchester export for last month of Plain Cottons was forty million yards to Hongkong and China, a very fully supply. Dyed and Printed goods are also heavy, namely 13,400,000 yards and 2,700,000 yards respectively. Shipments of Woollens and Yarn are a good deal over the average. The activity in the Yarn market is the most refreshing feature at present, with prices soaring away above anything that was thought possible a short time ago. When it is considered what those Spinnings lay down at when they reach their destinations it would have been thought the woven article would have had the preference. It is not reported that the great Fire in Osaka has caused any loss or interruption in the Yarn trade. The Local production is holding its own. Business privately during the interval has been practically at a standstill, two whole day Bank holidays not conducing to fresh transactions owing to the absence of Exchange quotations. An event of some note may be recorded in the arrival here of the newly appointed Viceroy of Nanking en route for his post. It is to be hoped that as he comes from Canton, which is usually credited with more up-to-date and progressive ideas, that less obstruction will be shown to the laudable efforts of foreign traders here to improve the commercial situation, and more especially do away with the obstructions that prevent the local Railway from having full scope and facilities for working for the benefit of Native and Foreign trade alike. The transactions that have taken place are altogether of a retail description in goods from stock, there being no special or regular demand for any particular thing, the business passing being merely to fill hand to mouth orders. In staple makes it is quite impossible to touch home prices, but a few indents continue to go through for Fancies, mostly of special designs and makes. American goods, though during the last day or two rather more enquiry has sprung up. It has not led to much so far, as holders are trying to establish. Pepperell Drills have been resold at Tls. 5.25, and Buffalo A 3 25 yard Sheetings at Tls. 37½ and Tls. 4.40 and at the close it is rumoured at Tls. 4.45. Small parcels of American Cotton Flannels are also changing hands. A glance at the Auction details will give the best idea of the state of the market. There is scarcely a redeeming feature in either Cotton or Woollens goods.

EXPORTS:—

JAPANESE MARKET.

Tea.—Settlements to date amount to Piculs 28,500 against piculs 34,400 to the same date last year. Copper.—After a considerable period of dullness a sudden revival of business was seen, due to the advance of home quotations on the 23rd and 24th inst. and several large parcels changed hand; since then, however, market has fallen into its former inactivity. Holders are again well supplied with contracts and therefore are not inclined to make concessions. Fish Oil.—Prices experienced a considerable advance owing to large transactions for export. Rice.—The weather being very favourable to the growing crop, there seems to be every indication of a good harvest, which has given an easier tone to the market, and prices are declining. Cotton Yarn.—The prices on the market Bourse show a decline whilst mill quotations are firmer. For export there is no enquiry at present rates. Vegetable Wax.—Neglected, prices weak. Matting.—Situation unchanged, Stocks of desirable quality scarce. The new rush is already being taken in, and is reported to be very good. Straw Braid.—A little less demand was noticeable for this during the past fortnight, although prices were well maintained. Chip Braid.—Further enquiries have been received and quotations have hardened in consequence.

CAMPHOR.

HONGKONG 16th August.—The above market is at a standstill, and prices remain as last quoted.

TEA.

Foochow, 6th August.—The following settlements have taken place during the week:—Congous.—2,990 half-chests, Souchongs.—1,975 half-chests, Scented Teas.—990 boxes, Flowery Pekoes.—133 chests.

The Tea Export from commencement of Season to date has been:—

	Total lbs.
Austria	392,813
France	479,560
Germany	1,808,127
Holland	695,434
London	2,277,690
Russia	166,580
Other Countries	261,875
South America	17,288
Australia & N. Z.	294,897
U. S. & Canada	589,220
South Africa	1,104
Coastwise Southward ..	37,131
Coastwise Northward ..	274,514
Total Shipments	7,296,033

MISCELLANEOUS EXPORT.

Messrs Arnhold, Karberg & Co.'s Fortnightly Produce Circular, Dated Shanghai, 30th July.—Gallnuts.—A small business in new seasons Gallnuts has been done. Cowhides.—Season closed. Tobacco.—Nothing doing. Feathers.—Market quiet. Cotton.—Too early to procure offers. Tallow.—Market firm and enquiry small. Wood Oil.—Is in demand and prices keep strong. Sesamumseed.—Reports about the new crop are satisfactory. Straw Braid.—Calm all round. Goat-skin Rugs.—A fair business has been transacted at Tientsin. Wool.—Sheeps.—The demand is brisk with little offering.

HONGKONG SHARE QUOTATIONS.

HONGKONG, 13th August 1909.—Our market continues dull with no special features to report. Rates remain steady but in the absence of business somewhat inclined to weakness. Exchange on London T/T, 1s. 8½d. on Shanghai 74½.

BANKS.—Hongkong and Shanghai with a further demand have improved to \$1030 with sales, while the London rate has gone up to £95. At the close sellers rule the market at \$1030. Nationals have advanced to 65 without sales.

MARINE INSURANCE.—Unions remain unchanged at 840 without business closing with sellers. Cantons are reported to have been sold at 190. North Chinas changed hands at Tls. 120 and close steady at that. Other stocks under this heading call for no comment.

FIRE INSURANCES.—Hongkongs are in demand at 345 but we have heard of no sales. Chinas have been placed at 115 closing steady.

SHIPPING.—Hongkong, Canton and Macao have ruled weak and sellers at 31½ ex the div. of \$1½ paid on the 10th inst. have met with no response. At time of writing a sale has been made at 31½, the market closing with buyers at the latter and sellers at the former rate. Indos have been placed to the North at Tls. 43 and close rather firmer with reported sales in the North at 45. Star Ferrys (Old) have found buyers at 26. Shells are in strong demand at 73/ but we have heard of no sales and no shares appear to be available. China and Manillas are entirely neglected.

REFINERIES.—China Sugars in the early part of the week declined to 140 but some fair sales were effected at that rate, towards the close however on the report that no interim dividend would be paid, the market weakened and at time of closing sales have been made at 139 for the end of the month and sellers at 128 cash rule the market. Luzons have improved after sales at 18½ and 19, to 20 with buyers.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks continue steady with small sales at 61 and 62, closing at the latter rate. Kowloon Wharfs after several sales and a firm market at 60 close weaker with sellers at that rate. Shanghai Docks remain about the same in the North at 70. Hongkew Wharfs after touching 150 close at 145. This Company has declared an interim dividend of Tls. 3 per share.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands continue steady with buyers at 102½ and no sales to report. West Points have found further buyers at 44 and Humphreys at 9½. Hotels continue in demand at quotations but no sales are reported. Shanghai Lands have improved to 119.

COTTON MILLS.—Ewos have slightly advanced to 135. Internationals and Laou Kung

Mows are lower at 89½ and 108 respectively. Soychees show an improvement at 422. Hongkongs remain neglected with sellers at 8.

RUBBERS.—A good demand still exists and a fair business has been transacted. The following business has been put through locally. Shelfords, at 28/ to 30/6, Anglo-Malays at £7.13, Castlefields (17/6) at 39/ to 41/, Regalas at \$30, (Straits currency) and later at 26½ Sapons have at ruled weaker and sales have been made £1.

MISCELLANEOUS.—Bells Asbestos are quoted at 9½ ex div of 15% China Provs have changed hands at the slightly advanced rate of 9.65, Cements at 8.80 lces at 192½ Union Water Boats at 11 and China Lights at 6.60 Langkats have improved to 1010. Nothing else under this heading calls for comment.

Quotations are as follows:—

STOCKS	PAID UP	QUOTATIONS
Banks—		
Hongkong & S'hai...	\$125	\$1,030, sal. & sel.
National B. of China	£6	\$65, buyers
Bell's Asbestos E. A....	12/6d.	\$91, x.d. buyers
China-Borneo Co.....	\$12	\$131, sales
China Light & P. Co....	\$10	\$6.60, sellers
China Provident	\$10	\$9.65 sales & sel.
Cotton Mills—		
Ewo Cotton S. & W....	Tls. 50	Tls. 135
Hongkong C. S. Co....	\$10	\$8, sellers
International	Tls. 75	Tls. 89½
Laou Kung Mow	Tls. 100	Tls. 108
Soychee	Tls. 500	Tls. 415
Dairy Farm Co.....	\$6	\$16½, buyers
Docks & Wharves—		
H. & K. Wharf & G....	\$50	\$60, sales & sel.
H. & W. Dock	\$50	\$62, sellers
New Amoy Dock	\$91	\$9
Shanghai Dock and Eng. Co., Ltd	Tls. 100	Tls. 79
S'hai & H. Wharf....	Tls. 100	Tls. 145
Fenwick & Co., Geo....	\$25	\$11, s. llers
G. Island Cement Co	\$10	\$8.80, sellers
Hongkong & C. Gas....	£10	\$210, sales & buy.
Hongkong Electric....	\$10	\$20½, buyers
Hongkong Hotel Co. }	\$50	\$74, (old) buy.
	\$25	\$44, buyers
Hongkong Ice Co.....	\$25	\$192½, sales & sel.
H'kong Rope M. Co....	\$10	\$24, sellers
Insurances—		
Canton	\$50	\$190, sales
China Fire	\$20	\$115, sales
China Traders	\$25	\$92, buyers
Hongkong Fire	\$50	\$345, buyers
North China	£5	Tls. 120, sal. & b.
Union	\$100	\$840, sales & sel.
Yangtze	\$60	\$225
Land and Buildings—		
H'kong Land Invest.	\$100	\$102½, sales & buy.
Humphrey's Estate	\$10	\$94, sales & sel.
Kowloon Land & B....	\$30	\$30
Shanghai Land.....	Tls. 50	Tls. 118
WestPoint Building	\$50	\$44
Mining—		
S. F. des C. du T'kin	Fr. 250	\$625, buyers
Raub	18, 10d.	\$84, sellers
Peak Tramways Co., Ltd	\$10	\$14½
Philippine Co., Ltd....	\$1	\$1½
	\$10	\$8
Refineries—		
China Sugar	\$100	\$138, sellers
Luzon Sugar	\$100	\$20, buyers
Robinson Piano Co. ...	\$50	\$50, sellers
Steamship Companies		
China and Manila....	\$25	\$10, sellers
Douglas Steamship	\$50	\$36
H., Canton & M.	\$15	\$31½, x.d. sales
Indo-China S. N. Co.	£5	\$41, sellers
		\$19, sellers
Shell Transport Co.	£1	73/-
Star Ferry	\$10	\$26, sales
	\$5	\$15½
South China M. Post...	\$25	\$24, sellers
Steam Laundry Co.....	\$5	\$5½, sales
Stores & Dispensaries—		
Campbell, M. & Co....	\$10	\$12
Wm. Powell, Ltd.	\$7	\$4, sellers
Watkins, Ltd.	\$10	\$5, sellers
Watson & Co., A. S....	\$10	\$8.40, sellers
Weissmann, Ltd.	\$100	\$150, buyers
United Asbestos	\$1	\$12.40
Union Waterboat Co....	\$10	\$300
	\$10	\$11, sales

VERNON & SMYTH, Brokers.

SHANGHAI SHARE QUOTATIONS.

5th August, 1909.

COMPANY.	PAID UP	QUOTATION.
Banks—		
Hongkong & S'hai...	\$125	\$1,050, buyers
National of China...	£6	\$50, sales
Russo-Chinese	R1871	Tls. 125
	T125	
Insurance—		
Union Society C'tn...	\$100	\$830, buyers
North-China	£5	Tls. 116, buyers
Yangtze Assocn.	\$60	\$235, buyers
Canton	\$50	\$195, sellers
Hongkong Fire.....	\$50	\$345, buyers
China Fire.....	\$20	\$116, buyers
Shipping—		
Indo - China { pref. }	£5	Tls. 43, buyers
Shell Trans. { ord. }	£1	70/-, ex div
& Trading { pref. }	£10	\$9.10.0
S'hai Tug & { ord. }	T50	Tls. 46, sales
Lighter ... { pref. }	T50	Tls. 53, sales
Taku Tug & Lighter	T50	Tls. 45, buyers
Kochien Transport-		
ation & Tow Boat	T50	Tls. 50, sales
Docks & Wharves—		
S'hai Dock & Elg....	T100	Tls. 78, sellers
H. & W. Dock	\$50	\$62, sellers
S. & H'kew Wharf...	T100	Tls. 149, sales
H. K'loon W. & G....	\$50	\$57, buyers
Yangtze	T100	Tls. 205, sales
Sugar Companies—		
Perak Cultivation...	T50	Tls. 285, sales
China Refining.....	\$100	\$140, sales
Mining—		
Raub Australian	£1	\$84, sellers
Chinese Eng. & Min.	£1	Tls. 18½
Lands—		
S'hai Investment	T50	Tls. 118, buyers
H'kong Investment	\$100	\$107, sales
Humphreys' Estate	\$10	\$94, buyers
Weiheiwei.....	T20	Tls. 9
China	T50	Tls. 50
Anglo-French	T100	Tls. 105, sales
Cotton—		
Ewo	T50	Tls. 135, buyers
International	T75	T. 89½, sal s
Laou Kung Mow	T100	Tls. 108, buyers
Soy Chee	T500	Tls. 410, sales
H. C. S. W. D. C. Ltd.	\$10	Tls. 84, sellers
Industrial—		
Shanghai Gas	T50	Tls. 108, buyers
Major Brothers.....	T50	Tls. 52½
Shanghai Ice.....	T25	Tls. 16½, sales
China Flour Mill...	T50	Tls. 41
S'hai Pulp & Paper	T100	Tls. 35, sellers
Green Is. Cement....	\$10	\$9, sales
Shanghai Cotton	T50	Tls. 82½, sellers
Maatschappij, &c.,		
in Langkat.....	Gs 100	Tls. 995
Shanghai - Sumatra		
Tobacco	T20	Tls. 145, sales
Dominion Rubbers...	T6	Tls. 12½, sales
S'hai Waterworks...	£20	Tls. 425
Anglo-Ger. Brewery	\$100	\$75
A. Butler Cement,		
Tile Works	T50	Tls. 20
Kalumpung Rubber	T50	Tls. 187½, sellers
S. R. her Estates...	T100	Tls. 270, sales
T. R. & T. Estate Co.	£1	Tls. 17.60, sales
Eastern Fibre	£10	Tls. 10
Shanghai Electric		
Construction	£10	£6.00, buyers
Miscellaneous—		
Hall & Holtz.....	\$20	\$22½, sales
A. Llewellyn	\$60	\$65
A. S. Watson & Co.	\$10	\$84, buyers
Central Ordinary...	\$15	\$17, sales
Central Founders...	\$15	\$400, buyers
S. Moutrie & Co....	\$50	\$42½
Weeks & Co.	\$20	\$27, buyers
Astor House Hotel	\$25	\$18, sales
Hongkong Hotel Co.	\$50	\$70, sel. ex div.
Hotel des Colonies	T12.50	Tls. 51
Tsingtao Hotel	\$100	Tls. 75, sales
Lane, Crawford & Co.	\$100	\$165
Dunning & Co.	\$50	\$35
S'hai Horse Bazar...	T50	Tls. 55, sales
S'hai Mercury	T50	Tls. 50
S'hai Mutual Tele.	T50	Tls. 64, buyers
China Im. & Ex.		
Lumber	T100	Tls. 75
Shanghai Electric &		
Asbestos	\$25	\$21
Dallas Horse Re-		
pository	T70	Tls. 25
Printing Co.....	T50	Tls. 50

J. P. BISSET & Co.

Messrs J. P. Bisset & Co., in their Share Report for the week ending 5th August, state:—The market continues very quiet with a very small volume of business passing. Owing to the bank holidays the stock exchange closed on August 2 and 3. Telegraphic Transfer on London 2,32d. Banks.—Hongkong Banks have continued in strong demand all week with no shares offering, and no transactions recorded. There are now buyers at \$1,041. Shipping.—Indo-Chinas. Sales took place on July 30. Ords. at Tls. 44 for Sept. Pref. at 46 on 4th. There are now sellers at 46. Shanghai and Hongkew Wharves.—Sales have been done on the 4th and 5th at 150, 151 Sept., closing at 148 cash buyers, and Sept. sellers 150 Shanghai Docks.—Business was done on the 5th at 79 Sept. Sugars and Mining.—As in the case of last week, no sales have been reported in these stocks. Land.—Shanghai Lands were sold on the 30th at 118, and the market closed with buyers at 118. Industrial.—Cottons. Shanghai Cottons have been done at 82½ cash on the 4th. A dividend has been declared of 15 per cent on the paid up capital payable Aug. 16. Ewos. Shares have changed hands at 137 and 137½ for Sept. on the 30th and 5th. Laou Kung-Mows. Sales are reported on the 30th at 111 Sept. Internationals. Sales were effected on the 5th at 89½ cash. Soychees. There were sales at 410 for cash on the 5th. Shanghai Sumatras. Sales took place during the week as follows:—30th 157½ September, 5th 145 cash. Closing at sellers 150 cash and 152½ Sept. sellers. Rubbers. Tehongs. A fair business has been done as follows:—On the 30th and 31st 18 cash and Sept., and on the 5th at 17.60, closing with sellers at that rate (ex div.) Dominions. Sales on the 4th at Tls. 13, closing with sellers at 17. Senawangs. No sales have been reported, and the market continues steady at 275. Kalumpungs. Sales took on the 4th at 187½ cash. Market closed with sellers at this price. Shanghai Ice Co. There were sales on the 4th at 16½ cash. Langkats.—No business has been reported for cash transactions, but on the 4th and 5th sales were done at 1,020, and 1,015 Sept. Miscellaneous.—Stores. Weeks have been at 27 cash, and there are buyers at that price still. Tramways. Sales done at £6/5/0 bearer scrip on the 30th, 31st and 4th. Astors were placed on the 30th and 5th at 19 and 18 respectively. Telephones. Sales 64 Cash on the 5th. Horse Bazaars changed hands on the 4th and 5th at 55. Debentures.—Sales were effected on the 5th at 105 for the 6 per cent.

EXCHANGE.

HONGKONG, August 16th.

ON LONDON.—	
Telegraphic Transfer	1/8½
Bank Bills, on demand	1/8½
Bank Bills, at 30 days' sight	1/8½
Bank Bills at 4 months' sight	1/9
Credits, at 4 months' sight	1/9½
Documentary Bills, 4 months' sight ..	1/9½
ON PARIS.—	
Bank Bills, on demand	219
Credits 4 months' sight	222½
ON GERMANY.—	
On demand	178
ON NEW YORK.—	
Bank Bills, on demand	42½
Credits, 60 days' sight	43½
ON BOMBAY.—	
Telegraphic Transfer	131
Bank, on demand	131½
ON CALCUTTA.—	
Telegraphic Transfer	131
Bank on demand	131½
ON SHANGHAI.—	
Bank, at sight	74½
Private, 30 days' sight	75½
ON YOKOHAMA.—	
On demand	84½
ON MANILA.—	
On demand	85½
ON SINGAPORE.—	
On demand	74½
ON BATAVIA.—	
On demand	104½
ON HAI PHONG.—	
On demand	9½ p.c. pm.
ON SAIGON.—	
On demand	9 p.c. pm.
ON BANGKOK.—	
On demand	87½
STERLING, Bank's Buying Rate	\$11.45
GOLD LEAF 100 fine, per tael	\$59.80
PUR SILVER per oz	23½

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

August:—

ARRIVALS.

- 5, Ischia, Italian str., from Bombay.
- 6, Amigo, German str., from Chefoo.
- 6, Arratoon Apar, Br. str., from Calcutta.
- 6, Asia, British str., from San Francisco.
- 6, Changchow, Brit. str., from Wakamatsu.
- 6, Coblenz, German str., from Kuchinotsu.
- 6, Delhi, British str., from Shanghai.
- 6, Derwent, British str., from Saigon.
- 6, Dos Hermanos, Am. str., from Manila.
- 6, Glenesk, British str., from Hankow.
- 6, Glenogle, British str., from Singapore.
- 6, Haimun, British str., from Swatow.
- 6, Heliopolis, Br. str., from Chingwantao.
- 6, Kaga Maru, Jap. str., from Seattle.
- 6, Taming, British str., from Manila.
- 6, Totomi Maru, Jap. str., from Kobe.
- 7, Borneo, Ger. str., from Sandakan.
- 7, Cyclops, British str., from Manila.
- 7, Haiyang, British str., from Coast Ports.
- 7, Kueichow, British str., from Tientsin.
- 7, Luchow, British str., from Haiphong.
- 7, Magallanes, American str., from Manila.
- 7, Meefoo, Chinese str., from Shanghai.
- 7, Sungkiang, British str., from Iloilo.
- 8, Bujun Maru, Jap. str., from Swatow.
- 8, Devawongse, German str., from Bangkok.
- 8, Frithjof, Nor. str., from Hoihow.
- 8, Machow, German str., from Bangkok.
- 8, Telemachus, British str., from Manila.
- 8, Tjilatjap, Dutch str., from Macassar.
- 9, Anhui, British str., from Shanghai.
- 9, C. Diedrichsen, Ger. str., from Hoihow.
- 9, Childar Nor. str., from Bangkok.
- 9, Karong, Br. str., from New York.
- 9, Singan, British str., from Haiphong.
- 9, Yuensang, British str., from Manila.
- 9, Zafiro, British str., from Manila.
- 10, Antilochus, British str., from Tacoma.
- 10, Buelow, Ger. str., from Bremen.
- 10, Haimun British str., from Swatow.
- 10, Jason, British str., from Japan.
- 10, Mandasan Maru, Jap. str., from Miike.
- 10, Paoting, British str., from Weihaiwei.
- 10, Priam, British str., from Singapore.
- 10, Prinz Ludwig, Ger. str., from Yokohama.
- 11, Borneo, British str., from London.
- 11, Chowfa, German str., from Bangkok.
- 11, Haiching, British str., from Coast Ports.
- 11, Hanoi, French str., from Haiphong.
- 11, Kiang Ching, Chi. str., from Chinkiang.
- 11, Mathilde, German str., from Swatow.
- 11, Yeboshi Maru, Jap. str., from Bombay.
- 12, Atlantis, American str., from Iloilo.
- 12, Chiyuen, Chinese str., from Shanghai.
- 12, Daigi Maru, Jap. str., from Swatow.
- 12, Kansu, British str., from Cebu.
- 12, Linan, British str., from Shanghai.
- 12, Lisimore, British str., from Barry.
- 12, Sambia, German str., from Woosung.
- 12, Sardinia, British str., from Yokohama.
- 12, Shing Shun, Chinese str., from Kebau.
- 13, Aymeric, British str., from Puget Sound.
- 13, Haimun, British str., from Swatow.
- 13, Haliotis, Dutch str., from Swatow.
- 13, Kwongsang, British str., from Shanghai.
- 13, Pitsanulok, German str., from Bangkok.
- 13, Sexta, German str., from Amoy.
- 13, Spezia, German str., from Hamburg.
- 13, Tean, British str., from Manila.
- 13, Welsh Prince, British str., from Keelung.

August:—

DEPARTURES.

- 6, Bengloe, British str., for Nagasaki.
- 6, Haitan, British str., for Swatow.
- 6, Hitachi Maru, Jap. str., for Kobe.
- 6, Keongwai, German str., for Hoihow.
- 6, Loongsang, British str., for Manila.
- 6, Manila, German str., for Saigon.
- 6, Soshu Maru, Japanese str., for Swatow.
- 6, Yawata Maru, Japanese str., for Manila.
- 7, Aldenham, British str., for Shanghai.
- 7, Chiys Maru, Jap. str., for Keelung.
- 7, Delhi, British str., for Europe, &c.
- 7, Erroll, British str., for Manila.
- 7, Fooshing, British str., for Ningpo.
- 7, Glenesk, British str., for Singapore.
- 7, Kumsang, British str., for Singapore.
- 7, Kwangtah, Chinese str., for Shanghai.
- 7, Rubi, British str., for Manila.
- 7, Signal, German str., for Takao.
- 8, Banri Maru, Japanese str., for Moji.
- 8, Chenan, British str., for Shanghai.
- 8, Chowtai, German str., for Swatow.

- 8, Daijin Maru, Japanese str., for Swatow.
- 8, Eskdale, British str., for Moji.
- 8, Glenogle, British str., for Amoy.
- 8, Haimun, British str., for Swatow.
- 8, Kashing, British str., for Haiphong.
- 8, Knivsberg, German str., for Hoihow.
- 8, Laertes, British str., for Saigon.
- 8, Sikh, British str., for Singapore.
- 8, Totomi Maru, Jap. str., for Singapore.
- 9, Germania, German str., for Wakamatsu.
- 10, Arratoon Apar, Br. str., for Shanghai.
- 10, Chinkiang, British str., for Shanghai.
- 10, Haiyang, British str., for Foochow.
- 10, Hangchow, British str., for Chinkiang.
- 10, Hangsang, British str., for Swatow.
- 10, Suisang, British str., for Chingwantao.
- 10, Sungkiang, British str., for Cebu.
- 11, Buelow, German str., for Shanghai.
- 11, Frithjof, Norwegian str., for Hoihow.
- 11, Haimun, British str., for Swatow.
- 11, Jason, British str., for Singapore.
- 11, Nanchang, British str., for Tsingtau.
- 11, Prinz Ludwig, Ger. str., for Europe, &c.
- 11, Taming, British str., for Manila.
- 12, Anhui, British str., for Shanghai.
- 12, Bujun Maru, Japanese str., for Swatow.
- 12, Ischia, Italian str., for Singapore.
- 12, Karonga, British str., for Shanghai.
- 12, Meefoo, Chinese str., for Shanghai.
- 12, Rajaburi, German str., for Hoihow.
- 12, Vienna, British str., for Newcastle.
- 13, Borneo, British str., for Shanghai.
- 13, Childar, Norwegian str., for Bangkok.
- 13, Coblenz, German str., for Manila.
- 13, Devawongse, German str., for Swatow.
- 13, Haiching, British str., for Swatow.
- 13, Hanoi, French str., for Q. Chow Wan.
- 13, Kueichow, British str., for Swatow.
- 13, Mathilde, German str., for Pheumpenh.
- 13, Nord, Norwegian str., for Samarang.
- 13, Priam, British str., for Shanghai.
- 13, Sambia, German str., for Straits.
- 13, Singan, British str., for Hoihow.
- 13, Yeboshi Maru, Jap. str., for Shanghai.
- 13, Yuensang, British str., for Manila.

PASSENGERS.

ARRIVED.

- Per *Meefoo*, from Shanghai, Mrs Larren.
 Per *Borneo*, from London, Lieut. R. R. Rosoman, R.N.
 Per *Haiching*, from Coast Ports, Messrs Adams, Mudie and Grant.
 Per *Haimun*, from Swatow, Messrs W. A. Farrell, H. F. Chalkley and J. H. Solman.
 Per *Taming*, from Manila, Mr and Mrs Lieberg, Messrs Class, McMahon, Sivila, Hoag, Sanders, Soriane, Waite and Curtain.
 Per *Arratoon Apar*, from Calcutta, &c., Capt. B. D. Broughton, Capt. G. W. Wright, Messrs J. Tackle and J. H. A. Toeg.
 Per *Zafiro*, from Manila, Major Haynes, Master Haynes, Paymaster J. T. Forwell, U.S.A., Paymaster J. S. Bryan, U.S.A., Messrs MacDonald, W. B. Shiby, A. Levia, Gartu, J. T. Gall, W. W. Whiston, G. Martin, H. Schmidt, P. Sabert, Chas. B. Rohr and W. S. McKaig.
 Per *Asia*, from San Francisco, &c., Mr and Mrs H. S. Lee, Mr and Mrs W. Marseille, Mrs F. M. Hamilton, Mrs George Fuller, Mrs K. Spencer, Mrs Ida Bloom and servant, Misses Mable Bish and R. Halstead, Capt. A. Lockett, Messrs F. D. Pillatt, J. E. Freese and J. R. de Aldeon.
 Per *Kaga Maru*, from Seattle, &c., Mr and Mrs C. H. Loeber, Lieut. C. R. Sattesthwaite, Messrs L. D. Gregg, A. G. Fraser, R. A. Collins, A. Broerman, W. Smith, F. A. Johnson, S. J. Ortman, A. M. Lewis, J. Crookenden, K. Takamichi, K. Uezuki, J. de Roza, M. and S. Iwasaki.
 Per *Buelow*, for Hongkong, from Southampton, Mr and Mrs J. H. Tsan; from Genoa, Rev. Father John Scheiermann, Rev. Father Franz Neuhaus, Rev. Father H. Wartel, Messrs H. Meyaeles, J. H. Thompson and Chas. D. Merton; from Singapore, Misses J. Murakami and J. Jakao, and Mr W. C. Morhane.
 Per *Delhi*, for Hongkong, from Kobe, Mr Versey; from Shanghai, Messrs C. F. Smith and B. N. Allana; from Shanghai, for Penang, Mr H. Chalkley; for Singapore, Mr Clayton; for Bombay, Miss Lawson; for Marseilles, Mr C. Poisat; from Yokohama, for Singapore, Miss Powell; for Bombay, Mr Lalacca; for Marseilles, Mr G. Bowack; for London, Messrs A. J. Johnson, F. McDonald and L. Peck.

Per *Haiyang*, from Coast Ports, Mr Bowna.
 Per *Yuensang*, from Manila, Mr B. C. Nason.
 Per *Anhui*, from Shanghai, Misses Merz and Heise, Dr. Merz, Messrs Sullivan, Lutz and Madar.

Per *Prinz Ludwig*, for Hongkong, from Yokohama, Mr and Mrs Loosted, and Miss A. E. Fitz Henry; from Kobe, Mr E. P. Frankl; from Nagasaki, Mr T. Kleinpeter; from Shanghai, Mr and Mrs Hibbs, Mrs Crenstor, Mrs Emarston Lee, Mrs S. Levy, children and amah, Mrs A. Papier, Misses M. Kelle, Hendeison, Rev. Father Fleurean, Messrs Beckert, R. Robinson, R. Parker, E. B. West, L. Robert, Y. Havier and child.

Per *Sardinia*, from Yokohama, for Penang, Mrs Fitzgerald, Misses E. R. Keys, Munro, Davies, Wellington and D. McGill; for Singapore, Mr Roy Smith; for London, Mr and Mrs Arnold, Mrs Babty, Misses Romaine, M. Gregory, L. Hildroe, E. Edwards, and K. Birkbeck, Messrs F. Danby, A. Thomas, Lopez, Cowen, Fitzgerald, Stephens, Coyne, Quintrill, Frith and H. L. Phillips; for London, from Kobe, Messrs W. W. Heath and J. Hewett; from Shanghai, Messrs F. Richardson and J. C. Ballard.

DEPARTED.

Per *Buelow*, for Shanghai, Misses M. Richards and Tydler, Messrs C. G. Gok and F. Ehrhardt; for Nagasaki, Mrs. Kishimoto and Mr. Kawanoto; for Kobe, Mr. Kaneshima; for Yokohama, Mr. and Mrs. R. Fuhrmann, Mrs. H. Bremer, Mrs. E. C. Richards, Mrs. E. Gidley, Miss A. E. Fik, Messrs F. S. Odora, V. S. Sabert and D. Evares.

Per *Coblenz*, for Sydney, &c., Mr and Mrs Ernst R. V. Bruening, Mr and Mrs C. M. Lovsted, Mrs A. Henderson, Miss Marie Keller, Peters F. Neuhaus, Scheiermann and H. Wortel, Messrs Ludwig Beckert, Sebastian Felices and 2 daughters, J. P. Grant, Max Hirsch, Franz Loricke, H. Meyenberg, Chas. D. Morton, C. A. Neff, W. W. Payne and F. H. Thompson.

Per *Yawata Maru*, for Australia, &c., Mr and Mrs J. B. Bell, Mr and Mrs H. P. Strickler, Mr and Mrs News, Mr and Mrs Y. Tofuda, Mrs J. Deans, Major I. Inouye, Messrs C. Hedden, J. H. Strickler, Reissmann, W. Sellards, Deans, John Wilkinson, C. Kimoto, B. Sudo, S. Weaver, J. J. Dowd, J. F. Nava, M. Ross, Calnen, Wolfenden, S. Bagaygag, A. Kabayama and R. Kobutsuji.

Per *Chiyo Maru*, for Keelung, &c., Mr and Mrs M. Kobayoshi, child and two servants, Dr. and Mrs A. J. Cox and two children, Rev. and Mrs D. S. Herrick, Mrs M. J. McLeod, Mrs C. K. Dunlop, Mrs M. R. Simpson, Mrs Anna L. Cummings, Mrs J. C. Hyer, Misses J. Creige, Mary Arnold, Sydney Dunlop and Herrick, Colonels H. S. Wallace and W. E. Wilder, Dr. Eugene Talmadge, Messrs Fred Boynton, Dwight Whitting, Peter H. McNellis, K. Kondo, L. Lawrenz, L. Fernandez, Rogerio Lagman, W. L. Jenkins, J. W. Curten, M. McMahon, L. J. K. Johns, S. E. Luckseinger, P. Vega, K. Tokunaga, T. Nagahana, T. Mitsushi and K. Matsuda.

Per *Prinz Ludwig*, for Hamburg, &c., Mr and Mrs J. L. Elliot, Mr and Mrs Gondswaard, Mr and Mrs Helm, Mr and Mrs John B. Leiberg, Mr and Mrs W. Marseille, Mr and Mrs Schoevers, Mr and Mrs Schlichting, Mr and Mrs P. R. J. Tack, Dr. and Mrs J. van Loghem, Mrs Monti Baldini, Mrs W. F. Rivers Moore, Mrs Yoshida Ouami, Misses von Barfus, L. Buttner, Beyerees and Schwester, H. Coenen, J. Elliot, F. Elliot, Higford, Kossnetzoff, Mac-Leon and Florence Tarrell, His Excellency Mr Yang Shoo and servant, Dr. O. Rabberthge, Messrs Altschueler, Oberstleutnant von Barfus, Butter, H. Bardrick, Wm. T. Bardrick, Jr., Vizefeldwebel Barth, Wm. H. Bardrick, E. M. L'Engle, Leon Feval, Lugamiani Giovanni, Vizefeldwebel Grosse, R. S. Hardy, Junger, Kitamura, P. Kracke, R. B. Levisen, H. G. A. Leveson, Pelzer, W. R. Richardson, Martin Stockmer, C. A. v. d. Sandt, H. Th. Swerissen, J. Tani, Totatee and G. J. J. Valette.

Printed and published by BERTRAM AUGUSTUS HALE, for the Concerned, at 10A, Des Vaux Road Central, City of Victoria, Hongkong. London Office, 131, Fleet Street, E.C.